

# Maluti-A-Phofung Municipality Budget 2010/11 “MTREF”





## Table of Contents

Part 1	Description	Page No.
1.1	Executive summary	2-17
1.2	Resolution	18-19
1.3	MAP Budget Tables	20-28
1.4	Charts	29-35
<b>Part 2</b>	<b>Supporting Documentation</b>	
2.1	Overview of annual budget process	36-37
2.2	Overview of alignment of annual budget with integrated Development Plan	38-39
2.3	Measurable performance objectives and indicators	40
2.4	Overview of budget-related policies	40-41
2.5	Overview of budget funding	42
2.6	Expenditure on allocations and grant programmes	43-44
2.7	Allocations and grants made by the municipality	45
2.8	Councillor and board member allowances and employee benefits	46-47
2.9	Monthly targets for revenue, expenditure and cash flow	48
2.10	Annual budgets and service delivery and budget implementation plans – internal departments	49
2.11	Capital expenditure details	50
2.12	Legislation compliance status	50-51
2.13	Other supporting documents	51
2.14	Annual budgets of municipal entities	51
2.15	Consolidated Annual Budget Tables	52-61
2.16	Consolidated Annual Charts	62-65
2.17	Municipal manager's quality certification	66



## PART1 ANNUAL BUDGET

### 1.1 Executive Summary

#### PURPOSE

The purpose of this report is to present the annual Budget for 2010/2011 to 2012/2013, Financial Years to Council for approval. In terms of Local Government Municipal Finance Management Act (MFMA) no 56 of 2003 the Council of the municipality must for each financial year approves an annual budget 30 days before the start of that financial year.

#### BACKGROUND

Budgets are plans for spending on services and about income derived from charges. This annual budget explains how income and expenditure will be managed to ensure sustainability and viability of services in the municipality. Our annual budgets focus is to deliver additional value for money to residents, especially in areas of need. In spite economic climate, we have made all attempts to keep the costs to consumers at a reasonable rate.

Municipalities are expected to table their annual budgets in the new budget regulation the main objective of this regulation is to formalize norms and standards, which when applied it will improve the credibility, sustainability, transparency, accuracy and reliability of municipal budgets.

The 2009/2010 budget, tabled on 27 May 2009, included forward estimates for 2010/2011 and 2011/2012, which together comprise the Medium Term Revenue and Expenditure Framework for this period. Continuity within the medium-term budgeting is enhanced when outer forecast years become the starting point for the new budget process and is used as a basis to determine the Medium Term Revenue and Expenditure Framework (MTREF) allocation for the period 2010/2011 to 2012/2013.

The budget formats were designed to achieve the following specific aims:

1. Strengthen the links between transparencies, understand ability and accountability. The budget formats provides these links by : requiring that the information covering seven years be presented consisting of the previous three financial years, the current year, the budget year and the following two Medium Term Revenue and Expenditure Framework (MTREF) years
2. Ensuring consistency between budget and reporting formats (Monthly, midyear performance assessment , SDBIP and the reports relating to municipal entities)
3. Promote ' good practice' in municipal financial reporting
4. Promote transparent reporting of tariffs and fees/charges information
5. Ensure compliance with DoRA reporting requirements
6. Ensure the information is available to: determine the financial status and sustainability of municipalities



The preparation of annual budget for the 2010/2011 financial year shall be informed by the following:

- o Draft IDP of the Municipality,
- o Actual results for the 2008/2009 financial year,
- o Approved budget 2009/2010
- o Expected results for the 2009/2010 financial year
- o The departmental operational plans to be prepared by the various Heads of the Departments

The above forms the basis for the preparation of the annual budget and continuous reference needs therefore to be made to it. Departments are encouraged to pay particular attention to the following when finalizing their annual budget documentation:

- o Improving the alignment between the IDP, operational plans, and expected service delivery milestones and targets,
- o Optimizing the inclusion of new priorities within baseline allocations through reprioritization, and
- o Ensuring the affordability of revised medium-term plans which require an increase to baseline allocations.
- o National and Provincial priorities and to be included when preparing the budgets
- o Money be allocated to from Low priority programmes to High priority programmes

The following growth limits have been published by the National Treasury and it shall form the basis of increase in the tariff and related expenditure which should range between 3 to 6 percent. (N.B. The 2008/09 actual is an estimate by NT)

Description	Actual 2008/09	Estimates 2009/10	Estimates 2010/11	Forecast 2011/12	Forecast 2012/13
Headline CPI Inflation	9.9%	6.7%	5.7%	6.2%	5.9%

The percentage increase in operating expenditure will at all times be limited to the level of increase in operating income. It must also be noted that the final percentage increases per group and department may vary based on the following considerations:

- o Review of past performance,
- o Expected changes in the macro-economic environment, and
- o Political priorities.

The guideline growth limits are only for self-generated revenue sources. It excludes the increased national allocations provided for the purpose of expanding infrastructure and providing basic services to more households.

An annual budget set out certain service delivery levels and associated financial implications. Therefore the community should realistically expect to receive these promised service delivery levels and understand the associated financial implications. Major under-spending due to under collection of revenue or poor planning is a clear example of a budget that is not credible and unrealistic. Furthermore, draft budgets tabled for consultation



at least 90 days prior to the start of the budget year should already be credible and fairly close to the final approved budget.

**The explanation of annual Budget document shall be as follows:**

**1.1.1 Financial Overview**

1.1.1. (A) Total operating budget

1.1.1. (B) Revenue by source of funding

1.1.1. (C) Property Rates

1.1.1. (D) Electricity Revenue

1.1.1. (E) Refuse

1.1.1. (F) Government Grants and subsidies

1.1.1. (G) Income received by MAP on behalf of the Entity

1.1.1. (H) Interest earned on external investments

1.1.1. (I) Interest earned on outstanding debtors

1.1.1. (J) Other Revenue

**1.1.2 Operating Expenditure by Type**

1.1.2 (A) Employee related costs and remuneration of councillors

1.1.2 (B) Repairs and maintenance

1.1.2 (c) Bulk purchases

1.1.2 (D) Interest paid

1.1.2 (E) Contracted services

1.1.2 (F) Grants and subsidies paid

1.1.2 (G) General expenses

1.1.2 (H) Provisions (Debt impairment and Depreciation of assets impairment)

**1.1.3 Capital Budget**

1.1.3 (A) Capital by funding source

1.1.3 (B) Capital expenditure

**1.1.4. Proposed tariffs setting**

**1.1.5 Social Packages**



### 1.1.6 Summary of consolidated budgets

### 1.1.7 Key amendments made to the municipality's IDP and budget related policies

### 1.1.8 Municipality's aligned to National, Provincial and District priorities

### 1.1.9 Key demographic, economic and other assumptions

## 1.1.1. FINANCIAL OVERVIEW MAP BUDGET

### 1.1.1 (A) TOTAL OPERATING BUDGET

The projected annual revenue amounts to R914, 628 million for the 2010/11 financial year, which represents an increase of R159, 249 million (17%) above the approved budget for 2009/10. For the 2011/12 and 2012/13 financial years the annual budgeted revenue amounts to R992,650 million which represents an increase of R78,022 million (8%) and R1,062,692 billion which represents an increase of R70,042 million (7%) respectively. In total the annual operating expenditure budget for the 2010/11 financial year amounts to R882, 643 million, which represents an increase of R168, 002 million (19%) above the approved budget for 2009/10. For the 2011/2012 and 2012/13 financial years the proposed annual operating expenditure budgets amounts are R950,022 million and R1,021,985 million respectively, which represent increase of R67,379 (7%) and R71,963 million (7%) for the two outer years.

The table below shows total revenue and expenditure for the past year, the approved budget and the proposed budgets.

### COMPARISON OF THE BUDGET

Description	Audit Actuals 2008/2009	Approved Budget 2009/2010	MTREF		
			annual Budget 2010/2011	annual Budget 2011/2012	annual Budget 2012/2013
	R'000	R'000	R'000	R'000	R'000
Revenue	644,273	755,379	914,628	992,650	1,062,692
Expenditure	578,359	714,640	882,643	950,022	1,021,985
Surplus/Deficit	65,914	40,739	31,985	42,628	40,707

### 1.1.1. (B) REVENUE BY SOURCE OF FUNDING

Revenue estimates should be realistic, as the operating expenditure budget will be funded by the total revenue budget. It should also be reiterated that the council may not budget for a deficit and the budget should be fully funded

The guidelines for growth parameters for the budget process for 2010/2011 - 2012/2013 shall be limited to 5.7%, to be able to provide services and fulfil its responsibilities, the Municipality will have to obtain additional revenue from tariff increases on the various services provided.

The needs of the community, the ability of the community to pay for the services provided to them and the growth rate allowed by National Treasury should be taken into account when Council considers the annual increase in tariffs and the average effect thereof on consumer accounts.

When drafting the 2010/2011 to 2012/2013 budgets the following is taken into account:



- The estimated actual income for the 2009/2010 financial year (based on the July to February income figures).
- An estimated natural growth rate of 1% in services (electricity, waste removal) and a growth rate of 1% (resulting from supplementary valuation roll) on assessment rates on the estimated actual income for the 2009/2010 financial year.
- An average increase of 5% in tariffs.(aggregate)

Although an overall aggregate tariff increase of 5.7% will be maintained when drafting the guidelines for the 2010/2011 to 2012/2013 budget, it must be noted that a different percentage increase may be considered for each service, as long as it results in an overall tariff increase of not more than 5.7% for the Municipality except for electricity which controlled by National Electricity Regulator of South Africa. This will assist in determining the most acceptable and affordable scenario for the residents and ratepayers of the Maluti-A-Phofung.

The below table shows revenue by source of funding:

				Medium Term Revenue & Expenditure Framework		
Description	Audit Actuals 2008/2009	Approved Budget 2009/2010	Annual Budget 2010/2011	Budget 2011/2012	Budget 2012/2013	% increase relation to 10/11
	R'000	R'000	R'000	R'000	R'000	%
Rates & Taxes	102,009	285,037	297,768	317,991	333,891	33%
Electricity	123,478	173,000	257,050	280,790	300,343	28%
Refuse removal	16,147	8,400	9,475	9,261	9,724	1%
Grants & Subsidies	305,807	231,161	279,963	311,505	334,428	31%
Interest earned - external investments	4,787	7,000	7,500	8,400	8,820	1%
Interest earned - outstanding debtors	18,559	9,000	8,000	11,550	12,127	1%
Other Income	22,710	21,676	3,308	7,325	14,464	0%
Income received by the Municipality on behalf of the Entity for Services	50,776.00	20,105	51,564	45,828	48,895	6%
<b>TOTAL OPERATING REVENUE</b>	<b>644,273</b>	<b>755,379</b>	<b>914,628</b>	<b>992,650</b>	<b>1,062,692</b>	<b>100%</b>

#### 1.1.1 (C) PROPERTY RATES

- The proposed revenue for **ASSESSMENT RATES** has increased by 4% from the approved budgets of 2009/2010 and this revenue estimates excluding the rebate (Income forgone) of R86 million. This source of revenue constitutes 33% of the total proposed revenue and it forms core of our revenue base, for the current financial year no tariff increase on assessment rates except to align the tariff with Local Government Property Rates Regulation and MFMA Circular No 51 The municipality initiated a process to prepare a new General Valuation Roll of all property situated within the geographical boundaries of Maluti-A-Phofung



Municipality in terms of Local Government: Municipal Property Rates Act 6 of 2004 (MPRA) which will become operative on 1 July 2010.

#### 1.1.1. (D) ELECTRICITY REVENUE

The estimate for **ELECTRICITY REVENUE** is increased 33% from the approved budget and the main increases is attributed by tariff increase by 28.5% as determined by the National Electricity Regulator of South Africa and also the from the revenue enhancement project to be implemented. This source of revenue constitutes 28% of the total proposed revenue.

#### 1.1.1 (E) REFUSE REMOVAL REVENUE

The estimates for **REFUSE REMOVAL** are increased by 11% from the approved budget and the increase is attributed by tariff increase. This source of revenue constitutes 1% of our proposed revenue.

#### 1.1.1 (F) GOVERNMENT GRANTS AND SUBSIDIES

This category constitutes 31% of our total proposed operating income and the grants and subsidies consist of the following see a table below: The equitable share allocations supplement municipalities' own revenues for the provision of basic services to poor households.

Description	Amount allocated for 2009/2010	Amount allocated for 2010/2011	Amount allocated for 2011/2012	Amount allocated for 2012/2013
<b>OPERATING GRANTS</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Equitable Share	208,757	267,069	301,604	332,128
Finance Management Grant	750	1,200	1,450	1500
Municipal System Improvement Programme Grant	735	750	790	800
Water Services Operating Subsidy Grant	14,749	10,944	7,661	0
DBSA ICT roll out Strategy	933	-	-	
<b>Total Operating Grants</b>	<b>225,924</b>	<b>279,963</b>	<b>311,505</b>	<b>334,428</b>

#### 1.1.1 (G) INCOME RECEIVED BY MAP ON BEHALF OF THE ENTITY

Income for all services is paid into one bank account which is for a municipality and billings are done by the Municipality for all services then the income received for water and sanitation on behalf of the entity is paid back

to the entity on a monthly basis. Note should be taken that water and sanitation are responsibility of Maluti-A-Phofung Water Entity.

#### 1.1.1 (H) INTEREST EARNED ON EXTERNAL INVESTMENTS

The estimate for **INTEREST EARNED ON EXTERNAL INVESTMENTS** constitutes 1% of the proposed total revenue.





### 1.1.1 (I) INTEREST EARNED ON OUTSTANDING DEBTORS

The estimate for INTEREST EARNED ON OUTSTANDING DEBTORS has remained the same due to the fact that we are not allowed to charge interest on government accounts and almost 42% of our outstanding debts are from government accounts. Note should be taken that non payment is still a challenge. This source of revenue constitutes 1% of the proposed total revenue.

### 1.1.1 (J) Other Revenue

This group includes revenue generated through services provided to the community, i.e. building plan fees, water and electricity connection fees, fines, transport fees, dumping fees, etc and this makes 0% of our total Revenue.

### 1.1.2 OPERATING EXPENDITURE BY TYPE

The expenditure section of the operating budget outlines out all the operating expenses and cash outflows to both internal and external sources.

In order to facilitate accountability departments must budget for all expenditure necessary for the performance of their respective functions.

However, departments are required to address only the expenditure items directly manageable by the relevant department.

The zero-based types of analysis where all activities are open to in-depth review and scrutiny during the budget process provides an opportunity for the reallocation of resources to important priorities and avoid continuous growth in the budgeted expenditure of low priorities.

The expenditure budget consists of operational service delivery items and provides, inter alia, for the following:

Description	Audit Actuals 2008/2009	Approved Budget 2009/2010	Proposed Annual Budget 2010/2011	Proposed Annual Budget 2011/2012	Proposed Annual Budget 2012/13	% in relation to 2010/11 budget year
	R'000	R'000	R'000	R'000	R'000	
Employee related costs	100,568	129,760	147,425	166,348	188,081	17%
Remuneration of Councillors	16,208	17,411	20,500	21,525	22,601	2%
Bad debts	40,525	20,000	40,000	60,000	64,000	5%
Depreciation	51,411	40,000	51,436	63,500	70,175	6%
Repairs and maintenance	14,900	26,198	44,986	53,179	79,769	5%
Finance charges	-	7,246	7,608	4,443	5,679	1%
Bulk purchases - Electricity	134,176	119,000	157,000	170,989	180,989	18%
Contracted services	-	79,906	74,801	88,679	98,797	8%
Grants and subsidies paid	46,755	61,789	68,499	68,094	63,454	8%
General expenses	173,816	213,330	270,388	253,265	248,440	31%
<b>TOTAL OPERATING EXPENDITURE BY TYPE</b>	<b>578,359</b>	<b>714,640</b>	<b>882,643</b>	<b>950,022</b>	<b>1,021,985</b>	<b>100%</b>

### 1.1.2 (A) Employee Related Cost and Remuneration by Councillors



New positions required by the departments should be motivated individually and it should also be identified by each Department and make a provision for it. The following remuneration expenditure items must be clearly indicated and motivated by the departments:

- o Overtime
- o Standby Allowance
- o Uniforms; and
- o Protective Clothing.

Remuneration already constitutes a substantial percentage of 19% for 2010/11 annual budget including Councillors allowances the increase in employee related costs is mainly due to the provision of salary increase in the next financial year (2010/11) which is based on 10% that must still be confirmed by the Bargaining Council.

**Salaries, Wages and Related Staff Cost Expenses** In the absence of a SALGBC agreement and based on the current CPIX rate, a higher than CPIX provision was modelled for 2010/11 staff costs. The parameters applied to project the staff budget were as follows:

Parameter applied on Staff Budget

Description	2010/2011	2011/2012	2012/2013
Salary Increase	10%	9.50%	8.50%

#### 1.1.2 (B) Repairs and Maintenance

This category includes all labour, vehicle and material costs for the repair and maintenance of the assets of the Municipality. It includes both contracted services and services performed by employees. The total cost of asset maintenance is disclosed in this category to enable an evaluation of asset performance.

The repairs and maintenance of electricity, roads, storm water systems, traffic lights, buildings, vehicles, grounds, and equipment will be included in this category.

The deferral of maintenance expenditure on assets has the effect of increasing future maintenance costs and also has potential for reducing the economic life of the asset and hence the flow of economic benefits. Deferrals and the impact thereof should be indicated clearly in the operational plans.

In determining the budget under this section, the following should also be allowed for:

- o New assets to be acquired during the course of the year and which would require maintenance.
- o Capital assets to be sold or disposed of in the course of the year and which would not require further maintenance.

Departments must indicate their needs to maintain the assets of the Municipality in the repairs and maintenance master plans. Departments must also indicate in their operational plans their annual requirements and the deferred maintenance needs.

#### 1.1.2 (C) BULK PURCHASES (ELECTRICITY)

Bulk purchases of electricity amounts to R157 million which constitutes 18% of the proposed expenditure for 2010/2011 the increase is mainly due to the increase of electricity tariff increase.

#### 1.1.2 (D) FINANCE CHARGES



Capital charges include the payment of interest and redemption on internal and external loans by departments. Council is currently considering the option to take up an external loan for new infrastructure. The financial implications of the annual instalments are accounted for and are included in the proposed annual budget. This constitutes 1% of the proposed expenditure for 2010/2011

#### **1.1.2 (E) CONTRACTED SERVICE**

This includes services which have a period of more than one year and these services are electricity, indigent register, financial systems, landside fill, revenue enhancement project and MAP insurance. This constitutes 8% of the proposed expenditure for 2010/2011

#### **1.1.2 (F) GRANTS AND SUBSIDIES PAID**

These are the grants that the municipality is paying over to the Entity and it constitutes 8% of the proposed expenditure for 2010/2011

#### **1.1.2 (G) GENERAL EXPENSES**

General expenses consist mainly of fuel cost, bank charges, consultant fees, training board fees, electricity disconnection fees, grants-in-aid, stationary, printing and postage cost, telecommunication, various rentals, etc. An included in this category is allocation for free basic services (FBS), an allocation of approximately 112.5 million from equitable share grant shall be utilized for the provision of free basic services and direct subsidy of indigents. An also included in this category is the

The procurement of moveable assets, with an expected lifespan of more than one year, can be classified as capital expenditure financed from the operating budget.

This category will include assets such as furniture, machinery and equipment, electricity and water connections, books, fire-fighting equipment, traffic signs, etc. Rebates amounting R86 million is also included in this category.

#### **1.1.2 (H) PROVISION FOR DEBTS IMPAIRMENT AND DEPRECIATION AND ASSETS IMPAIRMENT**

This expenditure group must contain all expenditure items involved in the instances where the Municipality makes contributions from the operating revenue to certain funds and reserves. Only contributions determined by legislation and/or Council policy will be included in this section.

Currently the Municipality contributes towards the Capital Development Fund and the Reserve for Bad Debts. It is important that a sufficient amount be provided for bad debt and the provision should be in line with the current payment levels.

#### **1.1.3 CAPITAL BUDGET**

The IDP process informs the budget and the preparation of the capital budget is based on the capital development priorities approved through the Intergrated Development Plan (IDP).

The capital budget consists of the non-operational needs of the community. The procurement of assets, with a lifespan of more than one year can be classified as capital expenditure.

#### **1.1.3 (A) CAPITAL BY FUNDING SOURCE**



The projected annual capital budget amounts to R261,840 million for the 2010/11 financial year, which represents an increase of R2, 170 million (1%) above the approved budget for 2009/10. For the 2011/12 and 2012/13 financial years the annual capital budgeted amounts to R287,636 million which represents an increase of R25,796 million (10%) and R267,329 million which represents an decrease of (R20,307) million (8%) respectively. The capital budget will be funded as follows:

Description	Amount allocated for 2009/2010	Amount allocated for 2010/2011	Amount allocated for 2011/2012	Amount allocated for 2012/2013
<b>CAPITAL GRANTS</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Integrated National Electrification Programme (Eskom) Grant	4,067	-	-	
Integrated National Electrification Programme (Municipal) Grant	15,515	10,000	10,000	20,000
Expanded Public Works Programme Incentive grant for Municipalities	2,383	9,381	-	
Regional Bulk Infrastructure Grant	30,000	55,000	76,300	14,000
Municipal Infrastructure Grant	126,967	142,459	171,336	208,329
<b>Total National Grants</b>	<b>178,932</b>	<b>216,840</b>	<b>257,636</b>	<b>242,329</b>
<b>Provincial Grants</b>		<b>14,000</b>	<b>15,000</b>	<b>10,000</b>
<b>External Loans</b>	<b>40,000</b>	<b>-</b>	<b>-</b>	
<b>Own funds allocation</b>	<b>40,738</b>	<b>31,000</b>	<b>15,000</b>	15,000
<b>Total Capital Grants</b>	<b>259,670</b>	<b>261,840</b>	<b>287,636</b>	<b>267,329</b>

- External Grants – R230,840 million
- Own funds – R31,000 million

#### 1.1.3 (B) ANNUAL CAPITAL PROJECTS FOR 2010/2011



<b>MIG CAPITAL EXPENDITURE</b>	<b>ALLOCATION 2010-2011</b>
PMU ESTABLISHMENT	3,500,000
VIP TOILET PROJECT PHASE 8	21,000,000
INTABAZWE TOILETS	4,075,625
INTABAZWE EXT 3 ROADS PHASE 1	2,300,000
PHUTA STADIUM	6,700,000
INTABAZWE WATERBORNE TOILETS	2,305,736
THOLONG/KESTELL PAVED ROAD 4	2,000,000
STEELBRIDGES PHASE 1	7,000,000
WILGE WATER TREATMENT PLANT	6,950,000
PHUTHADITJHABA HALLS	2,000,000
RETENTION OF ALL PROJECTS	8,000,000
THOLONG/KESTELL PAVED ROAD 3	21,463,903
PHUTH PAVED ROADS	7,500,000
DISASTER PARK PAVED ROADS PHASE 1	2,000,000
FENCING AND INFRA AT CEMETIES 1	1,783,919
FENCING AND INFRA AT CEMETIES 2	2,000,000
INTABAZWE PAVED ROADS 1	7,450,989
TSHIAME PAVED ROADS 1	9,251,102
TSHIAME SEWER RETICULATION	5,377,298
BLUEGUMBOSCH SANITATION	300,000
WATER NETWORK QWAQWA RURAL	19,500,000
	<b>142,458,572</b>
<b>DME</b>	
ELECTRIFICATION PROGRAMME (1400)	10,000,000
	<b>10,000,000</b>
<b>DWAF</b>	
STERKFONTEIN/QWAQWA BULK WATER	55,000,000
	<b>55,000,000</b>
PROVINCIAL GOVERNMENT(POLICE ROADS)	
ROADS MAINTENANCE	<b>14,000,000</b>
<b>OWN SOURCES</b>	
FORMALISATION ILLEGAL LINES (ELEC)	5,000,000
ELECTRIFICATION (350) SNAKE PARK	2,100,000
ELECTRIFICATION (12) DISASTER PARK	900,000
STERKFONTEIN/QWAQWA BULK WATER	15,000,000
WATER QUALITY MANAGEMENT PLANT	1,400,000
UPGRADING OF VENNIBNG BOSBOU LINE	300,000
RESURFACING OF ROADS (MAP)	4,600,000
UNFINISHED INTERNAL ROADS (MAP)	700,000
INFRASTRUCTURE PLANS	1,000,000
	<b>31,000,000</b>
<b>TOTAL</b>	<b>252,458,572</b>



#### 1.1.4 PROPOSED TARIFF SETTING

Proposed tariffs for the 2010/2011 financial year are attached to the budget document on

Annexure 1, however the summary of the proposed increase is as follows:

Description	Average Increase
Rates and Taxes	0.00%
Electricity	28.5%
Refuse	5%
Water	5.7%
General Tariffs	5%
Community Services	5%
Cemetery	5%
Advertising	5%

#### 1.1.5 SOCIAL PACKAGE

The following social package will be provided during 2010/2011 financial year.

Service charges	Residents	Indigent
Electricity	50kWh per month	50kWh per month
Water	6kl per month	6kl per month
Refuse removal	0	100%
Sanitation	0	100%
Assessment rates	(Rebate on first R65 000 of market value is granted)	100%
Assessment rates	(20% rebate will be granted on the full payment made in full before 30 September 2010)	



### 1.1.6 SUMMARY OF CONSOLIDATED BUDGET

The following tables shows consolidated operating income and expenditure budget for 2010/11 budgets and two outer years.

CONSOLIDATED OPERATING INCOME						
Description	Audit Actuals 2008/2009	Approved Budget 2009/2010	Proposed Annual Budget 2010/2011	Proposed Annual Budget 2011/2012	Proposed Annual Budget 2012/2013	%
	R'000	R'000	R'000	R'000	R'000	
Rates & Taxes	102,009	285,037	297,768	317,991	333,891	29%
Electricity	123,478	173,000	257,050	280,790	300,343	25%
Water	35,144	14,558	34,245	30,056	31,960	3%
Sanitation	15,632	5,547	17,319	16,010	16,934	2%
Refuse removal	16,147	8,400	9,475	9,261	9,724	1%
Grants & Subsidies	305,807	231,161	279,963	311,505	334,428	27%
Grants & Subsidies (Entity)	40,383	61,789	68,499	83,159	93,748	7%
Interest earned - external investments	4,787	7,000	7,500	8,400	8,820	1%
Interest earned - outstanding debtors	18,559	9,000	8,000	11,550	12,127	1%
Other Income	22,710	21,676	3,308	7,325	14,464	0%
Income received by the Municipality on behalf of the Entity	50,776	20,105	51,564	45,828	48,895	5%
<b>TOTAL OPERATING REVENUE</b>	<b>735,432</b>	<b>837,273</b>	<b>1,034,691</b>	<b>1,121,875</b>	<b>1,205,334</b>	<b>100%</b>



CONSOLIDATED OPERATING EXPENDITURE BY VOTE					
Expenditure by vote	Audit Actuals 2008/2009	Approved Budget 2009/2008	Proposed annual Budget 2010/11	Proposed annual Budget 2011/12	Proposed annual Budget 2012/13
	R'000	R'000	R'000	R'000	R'000
Legislative Authority	22,748	37,928	38,947	36,367	39,542
Office of the Municipal Manager	10,876	18,254	24,191	23,750	25,628
Financial Services	158,382	294,630	383,589	468,449	480,835
Corporate Services	18,924	19,084	34,831	35,375	38,006
Community Services	49,670	37,334	42,456	46,008	48,286
Public Safety	23,744	27,526	34,607	38,502	42,758
Housing Spatial Development and Planning	8,295	20,898	23,175	23,761	25,474
Municipal Infrastructure	269,394	202,118	266,229	244,169	283,980
LED and Tourism	2,583	6,715	10,432	9,222	9,856
Parks, Sports and Recreation	13,743	15,538	24,185	24,419	27,622
Income received by MAP on behalf of the Entity		34,616	-	-	-
MAP WATER	82,895	81,893	115,464	122,951	133,532
<b>TOTAL OPERATING EXPENDITURE BY VOTE</b>	<b>661,254</b>	<b>796,534</b>	<b>998,106</b>	<b>1,072,973</b>	<b>1,155,519</b>

CONSOLIDATED OPERATING EXPENDITURE BY TYPE						
Expenditure by Type	Audit Actuals 2008/2009	Approved Budget 2009/2008	Proposed annual Budget 2010/11	Proposed annual Budget 2011/12	Proposed annual Budget 2012/13	% in relation to 2010/11 budget year
	R'000	R'000	R'000	R'000	R'000	
Employee related costs	100,568	129,760	201,500	225,291	252,550	20%
Remuneration of Councillors	16,208	17,411	20,500	21,525	22,601	2%
Bad debts	40,525	20,000	40,000	60,000	64,000	4%
Depreciation	51,411	40,000	52,939	65,003	71,678	5%
Repairs and maintenance	14,900	26,198	44,986	53,179	79,769	5%
Finance charges	-	7,246	7,608	4,443	5,679	1%
Bulk purchases - Electricity	134,176	119,000	169,607	183,596	193,596	17%
Contracted services	-	79,906	79,268	93,146	103,264	8%
Grants and subsidies paid	46,755	61,789	68,499	68,094	63,454	7%
General expenses	173,816	213,330	313,199	298,696	298,928	31%
<b>TOTAL OPERATING EXPENDITURE BY TYPE</b>	<b>578,359</b>	<b>714,640</b>	<b>998,106</b>	<b>1,072,973</b>	<b>1,155,519</b>	<b>100%</b>





<b>CONSOLIDATED CAPITAL BUDGET GRANTS</b>				
<b>Description</b>	<b>Amount allocated for 2009/2010</b>	<b>Amount allocated for 2010/2011</b>	<b>Amount allocated for 2011/2012</b>	<b>Amount allocated for 2012/2013</b>
<b>CAPITAL GRANTS</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Integrated National Electrification Programme (Eskom) Grant	4,067	-	-	
Integrated National Electrification Programme (Municipal) Grant	15,515	10,000	10,000	20,000
Expanded Public Works Programme Incentive grant for Municipalities	2,383	9,381	-	
Regional Bulk Infrastructure Grant	30,000	55,000	76,300	14,000
Municipal Infrastructure Grant	126,967	142,459	171,336	208,329
Provincial Government (Police and Roads)	-	14,000	15,000	10,000
External Loans	40,000		-	
Own funds allocation	40,738	31,000	15,000	15,000
MAP Water entity's	9,342	4,600	6,274	9,110
<b>Total Capital Grants</b>	<b>269,012</b>	<b>266,440</b>	<b>293,910</b>	<b>276,439</b>

#### 1.1.7 Key Amendments made to the municipality's IDP and Budget related Policies

The following budget-related policies are currently being reviewed/ amended and see Annexure 2 for the amendments made on these policies. The amendments are in line with current legislations.

- Tariff Policy
- Credit Control Policy
- Indigent Policy
- Property Rates Policy
- Supply Chain Policy
- Cash and Investment Management Policy
- Assets Management Policy
- Accounting Policies



### 1.1.8 Municipality aligned to National, Provincial and District Alignment

Maluti-A-Phofung development needs to be aligned with the National Provincial and District initiatives to ensure optimal impact from the combined efforts of all tiers of Government. In this regard their five critical elements:

- Efficient and effective public services (Deliver more and better services in a caring and efficient manner)
- Municipalities' role in employment creation
- Shift resources to new priorities
- Move from debate to effective implementation and decisive action and
- Work in partnership with communities, labour and business to achieve our shared objectives

### 1.1.9 Key demographic, economic and other assumptions

#### 1. Demographic and economic

The Maluti-A-Phofung area covers the greater Harrismith, Kestell Intabazwe and Phuthaditjhaba. The municipality of 34 wards and covers approximately 4 421 km<sup>2</sup> in extent. Phuthaditjhaba is urban centre of Qwaqwa and serves as the administrative head offices of Maluti-A-Phofung Municipality, surrounding Phuthaditjhaba are rural villages of Qwaqwa established on tribal land administered by land affairs. Harrismith is a service centre for the surrounding rural areas and a trading belt serving the passing N3 which links the Gauteng and KwaZulu Natal provinces. Harrismith is surrounded by Tshiame located 12 km to the west and Intabazwe, which is located 1,5 km to the north. The town is an employment center for people living in Tshiame, Intabazwe and Qwaqwa.

Kestell is a service center for surrounding agricultural oriented rural area with Thlolong as the Township. Kestell is situated along the N5 road that links Harrismith with Bethlehem. The rural areas of Maluti-A-Phofung comprise commercial farms and major nature conservation centre such as Qwaqwa National Park, Platberg, Sterkfontein Dam and the Maluti Mountain Range. The area is not only tourism attraction, but also make a big contribution in generating gross agricultural income for the whole of the Province.

#### 2. Other Assumptions

- They are more uneconomical inhabitant in the area, which makes the area nodal and require more economic attention since there are lot of indigent households spread all over the area of Qwaqwa and including farms.



## 1.2 Resolutions

### 1.2.1 ANNUAL BUDGET FOR THE 2010/11 AND MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK, IDP AND RELATED POLICIES

#### 1.2.1 (A) Consolidated Annual Operating Budget

It is recommended

That the annual consolidated total operating income of R1,034,692,000.00 and annual consolidated total operating expenditure of R998,107,000.00 and indicative amounts for the two projected outer years 2011/12 and 2012/13, as set out in the following Tables:

- (a) Operating revenue by source reflected in **TABLE A1 on – Page 52**
- (b) Operating expenditure by type reflected in **TABLE A1 on – Page 52**
- (c) Operating expenditure by vote classification reflected in **TABLE A3 on – Page 54**

#### 1.2.1 (B) Consolidated annual Capital Budget

It is recommended

- (a) That the annual consolidated capital budget of R266,440,000 and the multiyear appropriations by vote, GFS classification and funding for the two projected outer years 2011/12 and 2012/13, as set out in **TABLE A5 on Page 56**

#### 1.2.1(C) MAP Operating Budget

It is recommended

That the annual total operating income of R914,629,000.00 and annual total operating expenditure of R882,643,000.00 and indicative amounts for the two projected outer years 2011/12 and 2012/13, as set out in the following Schedules:

- (a) Operating revenue and expenditure by source reflected in **TABLE A1 on – Page 20**
- (b) Operating expenditure by type reflected in **TABLE A1 on – Page 20**
- (c) Operating expenditure by vote classification reflected in **TABLE A3 on – Page 22**

#### 1.2.1 (D) MAP Capital Budget

It is recommended

- (a) That the annual capital budget of R261,840,000 and the multiyear appropriations by vote, GFS classification and funding for the two projected outer years 2011/12 and 2012/13, as set out in **TABLE A5 on page 24**



### 1.2.1(E) MAP WATER Operating Budget

It is recommended

(a) Operating revenue by source reflected in **TABLE D1 on – Page 12 of Annexure 2**

(b) Operating expenditure by type reflected in **TABLE D1 on – Page 12 of Annexure 2**

### 1.2.1 (F) MAP WATER Capital Budget

It is recommended

(a) That the annual capital budget of R4,600,000 and the multiyear appropriations by vote, GFS classification and funding for the two projected outer years 2011/12 and 2012/13, as set out in **TABLE D3 on page 14 of Annexure 2**

1.2.1(G) That the property rates and any other municipal tax reflected in Annexure 3 from page 1 to 34, proposed for the budget year 2010/2011 be approved.

1.2.1(H) that the annual reviewed policies as reflected on Annexure 4(a-i) be approved.

1.2.1 (I) That Council take note of the Operational Plans for 2010/2011 as on Annexure 5

1.2.1(J) That Council takes note of the Service Delivery Budget Implementation Plan for 2010/2011 financial year as on Annexure 6



# Maluti-A-Phofung Municipality Annual Budget 2010 /2011 Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1

## 1.2 ANNUAL BUDGET TABLES

FS194 Maluti-a-Phofung - Table A1 Budget Summary

Description	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	128,297	111,066	102,009	103,583	216,955	216,955	121,794	297,768	317,991	333,891
Service charges	91,287	126,584	160,955	217,732	201,505	201,505	191,625	318,089	335,879	358,962
Investment revenue	18,525	8,716	4,787	9,000	7,000	7,000	7,000	7,500	8,400	8,820
Transfers recognised - operational	198,465	224,511	305,807	227,191	231,161	230,229	16,373	279,963	311,505	334,428
Other own revenue	62,982	66,436	70,719	94,550	30,676	30,676	30,676	11,308	18,875	26,591
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>499,556</b>	<b>537,313</b>	<b>644,277</b>	<b>652,056</b>	<b>687,297</b>	<b>686,365</b>	<b>367,468</b>	<b>914,629</b>	<b>992,650</b>	<b>1,062,692</b>
Employee costs	84,787	97,410	100,568	129,760	129,760	129,760	83,582	147,425	166,348	188,081
Remuneration of councillors	15,392	17,791	16,504	17,411	17,411	17,411	11,722	20,500	21,525	22,601
Depreciation & asset impairment	46,099	51,630	34,000	40,000	40,000	40,000	-	51,436	63,500	70,175
Finance charges	-	2,240	5,276	7,246	7,246	7,246	-	7,608	4,443	5,679
Materials and bulk purchases	14,607	122,818	114,464	113,991	119,000	119,000	92,270	157,000	170,989	180,989
Transfers and grants	-	38,132	21,117	61,789	61,789	61,789	39,964	68,500	70,972	63,454
Other expenditure	261,832	431,382	287,015	351,678	339,434	338,835	101,845	430,174	452,245	491,006
<b>Total Expenditure</b>	<b>422,718</b>	<b>761,404</b>	<b>578,945</b>	<b>721,875</b>	<b>714,640</b>	<b>714,041</b>	<b>329,382</b>	<b>882,643</b>	<b>950,022</b>	<b>1,021,985</b>
<b>Surplus/(Deficit)</b>	<b>76,838</b>	<b>(224,090)</b>	<b>65,332</b>	<b>(69,819)</b>	<b>(27,343)</b>	<b>(27,676)</b>	<b>38,086</b>	<b>31,985</b>	<b>42,628</b>	<b>40,706</b>
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>76,838</b>	<b>(224,090)</b>	<b>65,332</b>	<b>(69,819)</b>	<b>(27,343)</b>	<b>(27,676)</b>	<b>38,086</b>	<b>31,985</b>	<b>42,628</b>	<b>40,706</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>76,838</b>	<b>(224,090)</b>	<b>65,332</b>	<b>(69,819)</b>	<b>(27,343)</b>	<b>(27,676)</b>	<b>38,086</b>	<b>31,985</b>	<b>42,628</b>	<b>40,706</b>
<b>Capital expenditure &amp; funds sources</b>										
Capital expenditure	124,765	142,474	212,380	268,699	259,671	259,671	-	261,840	287,636	267,329
Transfers recognised - capital	59,075	91,647	132,590	172,518	178,932	178,932	75,918	230,840	272,636	252,329
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	26,000	30,000	48,000	58,000	40,000	40,000	18,000	-	-	-
Internally generated funds	39,690	20,826	31,790	38,181	40,739	40,739	-	31,000	15,000	15,000
<b>Total sources of capital funds</b>	<b>124,765</b>	<b>142,474</b>	<b>212,380</b>	<b>268,699</b>	<b>259,671</b>	<b>259,671</b>	<b>93,918</b>	<b>261,840</b>	<b>287,636</b>	<b>267,329</b>
<b>Financial position</b>										
Total current assets	370,472	527,184	234,846	455,970	140,586	140,586	-	187,615	214,996	134,890
Total non current assets	1,344,083	1,325,861	1,374,341	779,286	779,286	779,286	-	818,250	859,163	-
Total current liabilities	40,902	446,135	113,131	47,523	47,523	47,523	-	43,887	39,564	12,342
Total non current liabilities	13,666	12,078	13,982	15,415	15,415	15,415	-	16,185	16,995	-
Community wealth/Equity	1,330,755	667,670	736,893	685,711	-	654,323	-	576,236	467,504	516,752
<b>Cash flows</b>										
Net cash from (used) operating	96,801	17,941	69,119	84,509	-	84,509	-	127,374	42,625	33,504
Net cash from (used) investing	(59,019)	(53,284)	(39,594)	33,953	-	33,953	-	(323)	(184,635)	(39,180)
Net cash from (used) financing	(6,798)	(11,491)	1,578	(10,679)	-	(10,679)	-	9,399	13,954	14,324
<b>Cash/cash equivalents at the year end</b>	<b>623,076</b>	<b>576,241</b>	<b>607,345</b>	<b>109,784</b>	<b>-</b>	<b>109,784</b>	<b>-</b>	<b>246,233</b>	<b>118,178</b>	<b>126,825</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	81,255	124,254	64,337	61,971	61,971	61,971	-	65,069	68,323	70,890
Application of cash and investments	(260,538)	53,418	(17,670)	(274,317)	69,315	535	-	16,042	10,172	(24,885)
<b>Balance - surplus (shortfall)</b>	<b>341,793</b>	<b>70,836</b>	<b>82,006</b>	<b>336,288</b>	<b>(7,344)</b>	<b>61,436</b>	<b>-</b>	<b>49,028</b>	<b>58,151</b>	<b>95,775</b>
<b>Asset management</b>										
Asset register summary (WDV)	629,208	604,745	629,397	278,041	244,155	244,155	174,278	174,278	144,776	154,537
Depreciation & asset impairment	46,099	51,630	34,000	40,000	40,000	40,000	51,436	51,436	63,500	70,175
Renewal of Existing Assets	-	-	-	-	-	-	39,341	39,341	-	-
Repairs and Maintenance	13,637	28,665	12,917	31,127	31,127	31,127	39,386	39,386	42,579	43,424
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	-	71,849	-	-	112,219	112,219	161,563	171,033
Revenue cost of free services provided	-	-	-	169,478	-	-	218,731	218,731	280,253	327,190
<b>Households below minimum service level</b>										
Water:	-	-	133,000	147,000	161,000	178,000	186,000	186,000	196,000	206,000
Sanitation/sewerage:	-	-	920,000	966,000	966,000	966,000	1,014,000	1,014,000	1,065,000	1,118,000
Energy:	-	-	5,465,000	5,739,000	5,739,000	5,739,000	6,026,000	6,026,000	6,327,000	6,643,000
Refuse:	-	39,710	45,970	48,269	-	-	50,681	50,681	53,215	-



**Maluti-A-Phofung Municipality Annual Budget 2010 /2011**  
**Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1**

**FS194 Maluti-a-Phofung - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)**

Standard Classification Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>R thousand</b>	<b>1</b>									
<b>Revenue - Standard</b>										
<i>Governance and administration</i>		200,105	271,036	216,899	573,029	564,687	564,687	645,445	695,957	741,079
Executive and council		4,510	–	26,643	–	–	–	–	–	–
Budget and treasury office		195,595	271,036	190,256	573,029	564,687	564,687	645,445	695,957	741,079
Corporate services		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		23,957	2,978	19,609	5,828	4,082	4,082	1,322	2,825	2,996
Community and social services		20,150	2,064	18,071	2,026	1,615	1,615	798	1,015	1,066
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		3,807	896	1,538	3,502	2,467	2,467	522	1,808	1,928
Housing		–	18	–	300	–	–	2	2	2
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		119,713	94,684	1,116	4,304	3,695	3,695	526	447	470
Planning and development		105,188	94,478	1,116	1,497	395	395	276	395	415
Road transport		14,525	207	–	2,807	3,300	3,300	250	53	55
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		155,780	168,615	406,652	176,895	182,915	182,915	267,335	293,421	318,148
Electricity		94,513	110,645	314,788	159,000	165,020	165,020	257,685	283,976	307,131
Water		33,544	34,317	44,010	–	–	–	–	–	–
Waste water management		–	–	47,855	–	–	–	–	–	–
Waste management		27,723	23,653	–	17,895	17,895	17,895	9,650	9,445	11,017
<i>Other</i>	4	–	–	–	–	–	–	–	–	–
<b>Total Revenue - Standard</b>	<b>2</b>	<b>499,556</b>	<b>537,313</b>	<b>644,277</b>	<b>760,056</b>	<b>755,379</b>	<b>755,379</b>	<b>914,628</b>	<b>992,650</b>	<b>1,062,692</b>
<b>Expenditure - Standard</b>										
<i>Governance and administration</i>		212,298	512,041	326,371	285,211	365,784	365,784	476,735	558,708	578,330
Executive and council		31,315	31,319	33,628	54,155	50,001	50,001	57,753	54,388	59,071
Budget and treasury office		91,814	343,123	211,179	88,096	121,039	121,039	147,627	175,138	237,573
Corporate services		89,169	137,599	81,564	142,960	194,744	194,744	271,354	329,183	281,687
<i>Community and public safety</i>		37,812	51,644	49,407	63,178	63,106	63,106	83,994	90,195	99,911
Community and social services		6,352	8,766	10,944	14,560	13,796	13,796	17,755	19,263	20,908
Sport and recreation		10,656	14,152	13,289	16,356	15,538	15,538	24,185	24,419	27,622
Public safety		19,716	25,781	23,862	28,976	27,526	27,526	34,607	38,502	42,758
Housing		947	2,945	1,277	3,286	6,246	6,246	7,447	8,011	8,623
Health		141	–	35	–	–	–	–	–	–
<i>Economic and environmental services</i>		32,775	37,532	33,878	58,661	49,151	49,151	72,337	74,326	103,224
Planning and development		17,501	20,814	7,963	22,437	18,397	18,397	26,161	24,972	26,707
Road transport		13,051	14,516	23,132	32,881	27,784	27,784	46,176	49,354	76,517
Environmental protection		2,224	2,202	2,783	3,343	2,970	2,970	–	–	–
<i>Trading services</i>		139,665	158,651	169,288	256,989	236,600	236,600	249,577	226,793	240,521
Electricity		104,530	139,570	142,496	170,233	174,334	174,334	220,052	194,815	207,464
Water		18,371	–	–	–	–	–	–	–	–
Waste water management		174	–	25	57,836	34,616	34,616	–	–	–
Waste management		16,590	19,081	26,768	28,920	27,650	27,650	29,525	31,978	33,057
<i>Other</i>	4	166	1,535	–	57,836	–	–	–	–	–
<b>Total Expenditure - Standard</b>	<b>3</b>	<b>422,717</b>	<b>759,869</b>	<b>578,945</b>	<b>664,039</b>	<b>714,641</b>	<b>714,641</b>	<b>882,643</b>	<b>950,022</b>	<b>1,021,985</b>
<b>Surplus/(Deficit) for the year</b>		<b>76,839</b>	<b>(222,555)</b>	<b>65,332</b>	<b>96,017</b>	<b>40,738</b>	<b>40,738</b>	<b>31,985</b>	<b>42,628</b>	<b>40,707</b>



**Maluti-A-Phofung Municipality Annual Budget 2010 /2011**  
**Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1**

**FS194 Maluti-a-Phofung - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)**

3194 Mainland Holding - Table A3 Budgeted Financial Performance (Revenue and Expenditure by Municipal Vote)										
Vote Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand										
Revenue by Vote	1									
Legislative Authority		4,510	-	26,480	-	-	-	-	-	-
Office of the Municipal Manager		-	-	163	-	-	-	-	-	-
Financial Services		195,595	271,036	190,256	573,029	564,687	564,687	645,445	695,957	741,079
Corporate Services		-	-	492	553	150	150	50	53	55
Community Services		36,508	23,690	16,290	17,908	17,900	17,900	9,657	9,452	11,024
Public Safety		3,807	896	1,538	5,409	5,767	5,767	572	1,861	1,983
Housing Spatial Development & Planning		105,188	94,496	1,116	1,797	395	395	278	397	417
Municipal Infrastructure		109,037	110,852	314,788	159,900	165,020	165,020	257,886	283,975	307,131
LED & Tourism		-	-	-	-	-	-	-	-	-
Parks, Sports & Recreation		11,365	2,027	1,289	1,460	1,460	1,460	741	956	1,003
Water & Sanitation		-	-	47,855	-	-	-	-	-	-
Clinical Services		-	-	-	-	-	-	-	-	-
Water		33,544	34,317	44,010	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	499,556	537,314	644,277	760,056	755,379	755,379	914,628	992,650	1,062,692
Expenditure by Vote to be appropriated	1									
Legislative Authority		23,283	25,045	26,952	39,924	37,927	37,927	38,947	36,367	39,542
Office of the Municipal Manager		9,636	11,357	8,762	19,215	18,255	18,255	24,191	23,750	25,628
Financial Services		166,325	464,040	278,317	268,002	294,630	294,630	383,589	468,449	480,835
Corporate Services		15,405	15,431	16,030	20,088	19,084	19,084	34,831	35,375	38,006
Community Services		20,591	24,016	34,023	39,299	37,334	37,334	42,456	46,008	48,286
Public Safety		19,797	25,782	23,862	28,975	27,526	27,526	34,607	38,502	42,758
Housing Spatial Development & Planning		17,928	22,494	7,964	21,998	20,898	20,898	23,175	23,761	25,474
Municipal Infrastructure		117,667	155,758	167,240	203,113	202,118	202,118	266,229	244,169	283,980
LED & Tourism		2,743	3,329	2,448	7,068	6,714	6,714	10,432	9,222	9,856
Parks, Sports & Recreation		10,656	14,152	13,289	16,356	15,538	15,538	24,185	24,418	27,622
Water & Sanitation		174	-	-	57,836	34,616	34,616	-	-	-
Clinical Services		141	-	35	-	-	-	-	-	-
Water		18,371	-	25	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	422,717	761,404	578,945	721,875	714,640	714,640	882,643	950,021	1,021,987
Surplus/(Deficit) for the year	2	76,839	(224,090)	65,331	38,181	40,738	40,738	31,985	42,628	40,706



# Maluti-A-Phofung Municipality Annual Budget 2010 /2011 Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1

FS194 Maluti-a-Phofung - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description		Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Revenue By Source												
Property rates		2	128,297	111,066	102,009	103,583	216,955	216,955	121,794	297,768	317,991	333,891
Property rates - penalties & collection charges												
Service charges - electricity revenue		2	77,669	109,636	123,478	159,000	173,000	173,000	173,000	257,050	280,790	300,343
Service charges - water revenue		2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		2	13,618	11,231	16,147	15,645	8,400	8,400	8,400	9,475	9,261	9,724
Service charges - other			-	5,717	21,330	43,087	20,105	20,105	10,225	51,564	45,828	48,895
Rental of facilities and equipment			-	-	833	550	500	500	500	391	588	617
Interest earned - external investments			18,525	8,716	4,787	9,000	7,000	7,000	7,000	7,500	8,400	8,820
Interest earned - outstanding debtors			13,048	15,680	18,559	12,000	9,000	9,000	9,000	8,000	11,550	12,127
Dividends received			-	-	-	-	-	-	-	-	-	-
Fines			-	-	547	2,000	2,000	2,000	2,000	300	1,575	1,683
Licences and permits			-	-	-	-	-	-	-	-	-	-
Agency services			-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational			198,465	224,511	305,807	227,191	231,161	230,229	16,373	279,963	311,505	334,428
Other revenue		2	49,934	50,757	50,780	80,000	19,176	19,176	19,176	2,617	5,162	12,164
Gains on disposal of PPE												
Total Revenue (excluding capital transfers and contributions)			499,556	537,313	644,277	652,056	687,297	686,365	367,468	914,629	992,650	1,062,692
Expenditure By Type												
Employee related costs		2	84,787	97,410	100,568	129,760	129,760	129,760	83,582	147,425	166,348	188,081
Remuneration of councillors			15,392	17,791	16,504	17,411	17,411	17,411	11,722	20,500	21,525	22,601
Debt impairment		3	51,291	239,219	18,000	20,000	20,000	20,000	-	40,000	60,000	64,000
Depreciation & asset impairment		2	46,099	51,630	34,000	40,000	40,000	40,000	-	51,436	63,500	70,175
Finance charges			-	2,240	5,276	7,246	7,246	7,246	-	7,608	4,443	5,679
Bulk purchases		2	14,607	122,818	114,464	113,991	119,000	119,000	92,270	157,000	170,989	180,989
Other materials		8	-	-	-	-	-	-	-	-	-	-
Contracted services			-	20,416	43,075	48,906	79,906	79,307	35,093	74,801	88,679	98,797
Transfers and grants			-	38,132	21,117	61,789	61,789	61,789	39,964	68,500	70,972	63,454
Other expenditure		4, 5	210,540	171,748	225,940	282,772	239,528	239,528	66,752	315,374	303,566	328,209
Loss on disposal of PPE												
Total Expenditure			422,718	761,404	578,945	721,875	714,640	714,041	329,382	882,643	950,022	1,021,985
Surplus/(Deficit)			76,838	(224,090)	65,332	(69,819)	(27,343)	(27,676)	38,086	31,985	42,628	40,706
Transfers recognised - capital												
Contributions recognised - capital		6	-	-	-	-	-	-	-	-	-	-
Contributed assets												
Surplus/(Deficit) after capital transfers & contributions			76,838	(224,090)	65,332	(69,819)	(27,343)	(27,676)	38,086	31,985	42,628	40,706
Taxation												
Surplus/(Deficit) after taxation			76,838	(224,090)	65,332	(69,819)	(27,343)	(27,676)	38,086	31,985	42,628	40,706
Attributable to minorities												
Surplus/(Deficit) attributable to municipality			76,838	(224,090)	65,332	(69,819)	(27,343)	(27,676)	38,086	31,985	42,628	40,706
Share of surplus/ (deficit) of associate		7										
Surplus/(Deficit) for the year			76,838	(224,090)	65,332	(69,819)	(27,343)	(27,676)	38,086	31,985	42,628	40,706





# Maluti-A-Phofung Municipality Annual Budget 2010 /2011 Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1

FS194 Maluti-a-Phofung - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>R thousand</b>	<b>1</b>										
<b>Capital expenditure - Vote</b>	<b>2</b>										
<i>Multi-year expenditure, to be appropriated</i>											
Legislative Authority		-	-	-	-	-	-	-	-	-	-
Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-
Financial Services		-	-	-	-	-	-	-	-	-	-
Corporate Services		-	-	-	-	-	-	-	-	-	-
Community Services		-	-	-	-	-	-	-	-	-	-
Public Safety		-	-	-	-	-	-	-	-	-	-
Housing Spatial Development & Planning		-	-	-	-	-	-	-	-	-	-
Municipal Infrastructure		119,151	133,453	206,140	268,699	268,699	268,699	214,440	261,840	287,636	267,329
LED & Tourism		2,500	-	-	-	-	-	-	-	-	-
Parks, Sports & Recreation		3,114	5,521	5,740	-	-	-	-	-	-	-
Water & Sanitation		-	-	-	-	-	-	-	-	-	-
Clinical Services		-	3,500	500	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	<b>7</b>	<b>124,765</b>	<b>142,474</b>	<b>212,380</b>	<b>268,699</b>	<b>268,699</b>	<b>268,699</b>	<b>214,440</b>	<b>261,840</b>	<b>287,636</b>	<b>267,329</b>
<i>Single-year expenditure, to be appropriated</i>	<b>2</b>										
Legislative Authority		-	-	-	-	-	-	-	-	-	-
Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-
Financial Services		-	-	-	-	-	-	-	-	-	-
Corporate Services		-	-	-	-	-	-	-	-	-	-
Community Services		-	-	-	-	-	-	-	-	-	-
Public Safety		-	-	-	-	-	-	-	-	-	-
Housing Spatial Development & Planning		-	-	-	-	-	-	-	-	-	-
Municipal Infrastructure		-	-	-	-	-	-	-	-	-	-
LED & Tourism		-	-	-	-	-	-	-	-	-	-
Parks, Sports & Recreation		-	-	-	-	-	-	-	-	-	-
Water & Sanitation		-	-	-	-	-	-	-	-	-	-
Clinical Services		-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Vote</b>		<b>124,765</b>	<b>142,474</b>	<b>212,380</b>	<b>268,699</b>	<b>268,699</b>	<b>268,699</b>	<b>214,440</b>	<b>261,840</b>	<b>287,636</b>	<b>267,329</b>
<b>Capital Expenditure - Standard</b>											
<i>Governance and administration</i>		-	-	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-	-
Budget and treasury office		-	-	-	-	-	-	-	-	-	-
Corporate services		-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		8,570	18,754	11,391	2,335	2,335	2,335	-	12,484	-	-
Community and social services		1,500	6,733	5,151	-	-	-	-	2,000	-	-
Sport and recreation		3,114	5,521	5,740	2,335	2,335	2,335	-	10,484	-	-
Public safety		3,956	-	-	-	-	-	-	-	-	-
Housing		-	3,000	-	-	-	-	-	-	-	-
Health		-	3,500	500	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		28,660	19,331	69,592	93,050	77,021	77,021	-	87,647	15,000	10,000
Planning and development		6,660	4,000	36,000	22,000	22,001	22,001	-	-	-	-
Road transport		22,000	15,331	33,592	71,050	55,020	55,020	-	87,647	15,000	10,000
Environmental protection		-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		32,010	39,831	50,478	74,680	81,680	81,680	-	148,909	25,000	35,000
Electricity		10,910	8,300	15,400	25,515	25,515	25,515	-	18,000	10,000	20,000
Water		16,200	25,717	34,840	41,777	48,777	48,777	-	97,850	15,000	15,000
Waste water management		2,900	5,815	237	7,388	7,388	7,388	-	33,059	-	-
Waste management		2,000	-	-	-	-	-	-	-	-	-
<i>Other</i>		55,525	64,558	80,920	98,634	98,635	98,635	-	12,800	247,636	222,329
<b>Total Capital Expenditure - Standard</b>	<b>3</b>	<b>124,765</b>	<b>142,474</b>	<b>212,380</b>	<b>268,699</b>	<b>259,671</b>	<b>259,671</b>	<b>-</b>	<b>261,840</b>	<b>287,636</b>	<b>267,329</b>
<b>Funded by:</b>											
National Government		59,075	88,147	132,090	172,518	178,932	178,932	75,918	216,840	257,636	242,329
Provincial Government		-	3,500	500	-	-	-	-	14,000	15,000	10,000
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	<b>4</b>	<b>59,075</b>	<b>91,647</b>	<b>132,590</b>	<b>172,518</b>	<b>178,932</b>	<b>178,932</b>	<b>75,918</b>	<b>230,840</b>	<b>272,636</b>	<b>252,329</b>
Public contributions & donations	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Borrowing	<b>6</b>	<b>26,000</b>	<b>30,000</b>	<b>48,000</b>	<b>58,000</b>	<b>40,000</b>	<b>40,000</b>	<b>18,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
Internally generated funds		39,690	20,826	31,790	38,181	40,739	40,739	-	31,000	15,000	15,000
<b>Total Capital Funding</b>	<b>7</b>	<b>124,765</b>	<b>142,474</b>	<b>212,380</b>	<b>268,699</b>	<b>259,671</b>	<b>259,671</b>	<b>93,918</b>	<b>261,840</b>	<b>287,636</b>	<b>267,329</b>



# Maluti-A-Phofung Municipality Annual Budget 2010 /2011 Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1

FS194 Maluti-a-Phofung - Table A6 Budgeted Financial Position

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>R thousand</b>											
<b>ASSETS</b>											
<b>Current assets</b>											
Cash				19							
Call investment deposits	1	19,275	50,984	56,209	61,971	61,971	61,971	-	65,069	68,323	70,890
Consumer debtors	1	201,566	67,911	71,306	178,909	78,615	78,615	-	122,546	146,673	64,000
Other debtors		15,596	383,150	105,606	215,090	-	356,790		467,891	378,910	289,099
Current portion of long-term receivables		132,382	23,688	104	124,569	-	150,891		120,899	90,879	50,890
Inventory	2	1,652	1,452	1,601	1,790	-	1,906		2,091	2,898	3,000
<b>Total current assets</b>		<b>370,472</b>	<b>527,184</b>	<b>234,846</b>	<b>582,329</b>	<b>140,586</b>	<b>650,173</b>	<b>-</b>	<b>778,496</b>	<b>687,682</b>	<b>477,879</b>
<b>Non current assets</b>											
Long-term receivables		23,688	-	-							
Investments		61,980	79,996	38,108	80,000	-	80,000		110,890	190,891	230,890
Investment property		629,208	604,745	629,397	789,234	-	710,000		750,789	890,786	900,897
Investment in Associate											
Property, plant and equipment	3	629,208	641,120	706,835	779,286	779,286	779,286	-	818,250	859,163	-
Agricultural											
Biological											
Intangible											
Other non-current assets											
<b>Total non current assets</b>		<b>1,344,083</b>	<b>1,325,861</b>	<b>1,374,341</b>	<b>1,648,520</b>	<b>779,286</b>	<b>1,569,286</b>	<b>-</b>	<b>1,679,930</b>	<b>1,940,840</b>	<b>1,131,788</b>
<b>TOTAL ASSETS</b>		<b>1,714,555</b>	<b>1,853,045</b>	<b>1,609,186</b>	<b>2,230,849</b>	<b>919,872</b>	<b>2,219,459</b>	<b>-</b>	<b>2,458,426</b>	<b>2,628,522</b>	<b>1,609,667</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1	-	6,726	30,000	-	-	-	-	-	-	-
Borrowing	4	1,883	1,445	1,593	1,756	1,756	1,756	-	1,844	1,936	-
Consumer deposits		3,813	7,608	7,961	12,005	12,005	12,005		14,800	13,457	12,342
Trade and other payables	4	35,206	430,357	73,576	33,762	33,762	33,762	-	27,163	24,171	-
Provisions											
<b>Total current liabilities</b>		<b>40,902</b>	<b>446,135</b>	<b>113,131</b>	<b>47,523</b>	<b>47,523</b>	<b>47,523</b>	<b>-</b>	<b>43,887</b>	<b>39,564</b>	<b>12,342</b>
<b>Non current liabilities</b>											
Borrowing		13,666	12,078	13,982	15,415	15,415	15,415	-	16,185	16,995	-
Provisions		-	-	-	-	-	-	-	-	-	-
<b>Total non current liabilities</b>		<b>13,666</b>	<b>12,078</b>	<b>13,982</b>	<b>15,415</b>	<b>15,415</b>	<b>15,415</b>	<b>-</b>	<b>16,185</b>	<b>16,995</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>54,568</b>	<b>458,213</b>	<b>127,112</b>	<b>62,938</b>	<b>62,938</b>	<b>62,938</b>	<b>-</b>	<b>60,072</b>	<b>56,558</b>	<b>12,342</b>
<b>NET ASSETS</b>	5	<b>1,659,986</b>	<b>1,394,832</b>	<b>1,482,074</b>	<b>2,167,912</b>	<b>856,934</b>	<b>2,156,521</b>	<b>-</b>	<b>2,398,353</b>	<b>2,571,964</b>	<b>1,597,325</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		852,195	643,077	708,424	654,323	-	654,323		543,279	432,899	467,843
Reserves	4	478,561	24,593	28,469	31,387	-	-	-	32,957	34,605	48,909
Minorities' interests											
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>1,330,755</b>	<b>667,670</b>	<b>736,893</b>	<b>685,711</b>	<b>-</b>	<b>654,323</b>	<b>-</b>	<b>576,236</b>	<b>467,504</b>	<b>516,752</b>

FS194 Maluti-a-Phofung - Table A7 Budgeted Cash Flows

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>R thousand</b>											
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Ratepayers and other	1	399,335	49,127	306,333	387,981		387,981		443,910	367,908	378,989
Government - operating											
Government - capital	1										
Interest		31,573	24,396	28,241	29,653		29,653		31,136	32,693	33,489
Dividends											
<b>Payments</b>											
Suppliers and employees		(331,550)	(53,341)	(262,862)	(325,891)		(325,891)		(338,910)	(348,987)	(369,098)
Finance charges		(2,557)	(2,240)	(2,593)	(7,235)		(7,235)		(8,762)	(8,988)	(9,877)
Transfers and Grants	1										
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>96,801</b>	<b>17,941</b>	<b>69,119</b>	<b>84,509</b>	<b>-</b>	<b>84,509</b>	<b>-</b>	<b>127,374</b>	<b>42,625</b>	<b>33,504</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		(63,540)	(83,743)	(74,701)	-		-		(18,137)	(15,385)	(17,891)
Decrease (Increase) in non-current debtors		292	132	-	(2,909)		(2,909)		(20,891)	(209,890)	(21,289)
Decrease (Increase) other non-current receivables		292	132	153	161		161		169	177	
Decrease (Increase) in non-current investments		3,936	30,194	34,954	36,701		36,701		38,536	40,463	
<b>Payments</b>											
Capital assets											
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(59,019)</b>	<b>(53,284)</b>	<b>(39,594)</b>	<b>33,953</b>	<b>-</b>	<b>33,953</b>	<b>-</b>	<b>(323)</b>	<b>(184,635)</b>	<b>(39,180)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		(4,851)	-	-	(20,000)		(20,000)		(20,000)	(25,000)	(25,000)
Borrowing long term/refinancing		(2,058)	(1,967)	(1,967)	(18,000)		(18,000)		-	(1,967)	
Increase (decrease) in consumer deposits		111	5,232	6,057	32,000		32,000		3,609	7,011	4,981
<b>Payments</b>											
Repayment of borrowing			(14,756)	(2,512)	(4,679)		(4,679)		5,790	8,910	9,343
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(6,798)</b>	<b>(11,491)</b>	<b>1,578</b>	<b>(10,679)</b>	<b>-</b>	<b>(10,679)</b>	<b>-</b>	<b>(10,601)</b>	<b>(11,046)</b>	<b>(10,676)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>30,984</b>	<b>(46,835)</b>	<b>31,103</b>	<b>107,783</b>	<b>-</b>	<b>107,783</b>	<b>-</b>	<b>116,449</b>	<b>(153,055)</b>	<b>(16,353)</b>
Cash/cash equivalents at the year begin:	2	<b>592,092</b>	<b>623,076</b>	<b>576,241</b>	<b>2,001</b>	<b>-</b>	<b>2,001</b>	<b>-</b>	<b>109,784</b>	<b>226,233</b>	<b>73,178</b>
Cash/cash equivalents at the year end:	2	<b>623,076</b>	<b>576,241</b>	<b>607,345</b>	<b>109,784</b>	<b>-</b>	<b>109,784</b>	<b>-</b>	<b>226,233</b>	<b>73,178</b>	<b>56,825</b>



**Maluti-A-Phofung Municipality Annual Budget 2010 /2011**  
**Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1**

FS194 Maluti-a-Phofung - Table A8 Cash backed reserves/accumulated surplus reconciliation

2017/18 Medium Term Revenue & Expenditure Framework Table No 2 Cash Budgeted Resources Accumulated Surplus Reconciliation											
Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand											
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	623,076	576,241	607,345	109,784	-	109,784	-	226,233	73,178	56,825
Other current investments > 90 days		(603,801)	(531,984)	(581,117)	(47,813)	-	(47,813)	-	(161,163)	(4,855)	14,065
Non current assets - Investments	1	61,980	79,996	38,108	80,000	-	80,000	-	110,890	190,891	230,890
<b>Cash and investments available:</b>		<b>81,255</b>	<b>124,254</b>	<b>64,337</b>	<b>141,971</b>	<b>-</b>	<b>141,971</b>	<b>-</b>	<b>175,960</b>	<b>259,214</b>	<b>301,780</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		3,111	14,790	16,306	12,000	-	12,000	-	17,891	8,000	5,000
Unspent borrowing											
Statutory requirements	2										
Other working capital requirements	3	(263,649)	38,628	(33,976)	(279,727)	-	(364,644)	-	(505,560)	(380,566)	(291,349)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
<b>Total Application of cash and investments:</b>		<b>(260,538)</b>	<b>53,418</b>	<b>(17,670)</b>	<b>(267,727)</b>	<b>-</b>	<b>(352,644)</b>	<b>-</b>	<b>(487,669)</b>	<b>(372,566)</b>	<b>(286,349)</b>
<b>Surplus(shortfall)</b>		<b>341,793</b>	<b>70,836</b>	<b>82,006</b>	<b>409,698</b>	<b>-</b>	<b>494,615</b>	<b>-</b>	<b>663,629</b>	<b>631,780</b>	<b>588,130</b>



**Maluti-A-Phofung Municipality Annual Budget 2010 /2011**  
**Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1**

FS194 Maluti-a-Phofung - Table A9 Asset Management

S 194 Maatui-a-Piituingi - Table A9 Asset management										
Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	124,765	142,474	212,380	278,041	259,671	259,671	247,540	25,000	30,000
Infrastructure - Road transport		22,000	15,331	33,592	71,050	55,020	55,020	90,347	15,000	10,000
Infrastructure - Electricity		10,910	8,300	15,400	25,515	25,515	25,515	10,000	10,000	20,000
Infrastructure - Water		16,200	25,717	34,840	41,777	48,777	48,777	97,850	-	-
Infrastructure - Sanitation		2,900	5,815	238	7,388	7,388	7,388	33,059	-	-
Infrastructure - Other		57,525	64,558	80,920	96,634	96,635	96,635	12,500	-	-
Infrastructure		109,535	119,720	164,990	242,364	233,335	233,335	243,756	25,000	30,000
Community		15,230	19,754	47,391	26,335	26,336	26,336	3,784	-	-
Heritage assets		-	3,000	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	9,342	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<u>Total Renewal of Existing Assets</u>	2	-	-	-	-	-	-	14,300	-	-
Infrastructure - Road transport		-	-	-	-	-	-	5,300	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	300	-	-
Infrastructure		-	-	-	-	-	-	5,600	-	-
Community		-	-	-	-	-	-	8,700	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<u>Total Capital Expenditure</u>	4	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		22,000	15,331	33,592	71,050	55,020	55,020	95,647	15,000	10,000
Infrastructure - Electricity		10,910	8,300	15,400	25,515	25,515	25,515	10,000	10,000	20,000
Infrastructure - Water		16,200	25,717	34,840	41,777	48,777	48,777	97,850	-	-
Infrastructure - Sanitation		2,900	5,815	238	7,388	7,388	7,388	33,059	-	-
Infrastructure - Other		57,525	64,558	80,920	96,634	96,635	96,635	12,800	-	-
Infrastructure		109,535	119,720	164,990	242,364	233,335	233,335	249,356	25,000	30,000
Community		15,230	19,754	47,391	26,335	26,336	26,336	12,484	-	-
Heritage assets		-	3,000	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	9,342	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	124,765	142,474	212,380	278,041	259,671	259,671	261,840	25,000	30,000
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport					71,050	55,020	55,020	20,000	12,000	12,600
Infrastructure - Electricity					25,515	10,000	10,000	3,000	10,000	10,500
Infrastructure - Water					41,777	48,777	48,777	23,456	-	-
Infrastructure - Sanitation					7,388	7,388	7,388	60,224	12,555	13,182
Infrastructure - Other					100,455	100,456	100,456	62,998	103,947	109,145
Infrastructure		-	-	-	246,185	221,641	221,641	169,678	138,502	145,427
Community					22,514	22,514	22,514	-	-	-
Heritage assets										
Investment properties		629,208	604,745	629,397	789,234	-	710,000	750,789	890,786	900,897
Other assets					9,342	-	-	4,600	6,274	9,110
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	629,208	604,745	629,397	1,067,275	244,155	954,155	925,067	1,035,562	1,055,434
EXPENDITURE OTHER ITEMS										
<u>Depreciation &amp; asset impairment</u>	3	46,099	51,630	34,000	40,000	40,000	40,000	51,436	63,500	70,175
<u>Repairs and Maintenance by Asset Class</u>		13,637	28,665	12,917	31,127	31,127	31,127	39,386	42,579	43,424
Infrastructure - Road transport		1,000	4,750	6,315	8,099	8,099	8,099	5,545	5,823	6,114
Infrastructure - Electricity		3,420	900	2,700	2,741	2,741	2,741	5,200	5,335	5,477
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	19,414	20,385	21,404
Infrastructure		4,420	5,650	9,015	10,840	10,840	10,840	30,159	31,542	32,994
Community		300	180	100	-	-	-	650	683	717
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	8,917	22,835	3,802	20,287	20,287	20,287	8,576	10,354	9,713
TOTAL EXPENDITURE OTHER ITEMS		59,737	80,295	46,917	71,127	71,127	71,127	90,822	106,079	113,599
% of capital exp on renewal of assets		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.8%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	27.8%	0.0%	0.0%
R&M as a % of PPE		2.2%	4.5%	1.8%	4.0%	0.0%	4.0%	4.8%	5.0%	3.0%
Renewal and R&M as a % of PPE		2.0%	5.0%	2.0%	3.0%	13.0%	3.0%	6.0%	4.0%	4.0%



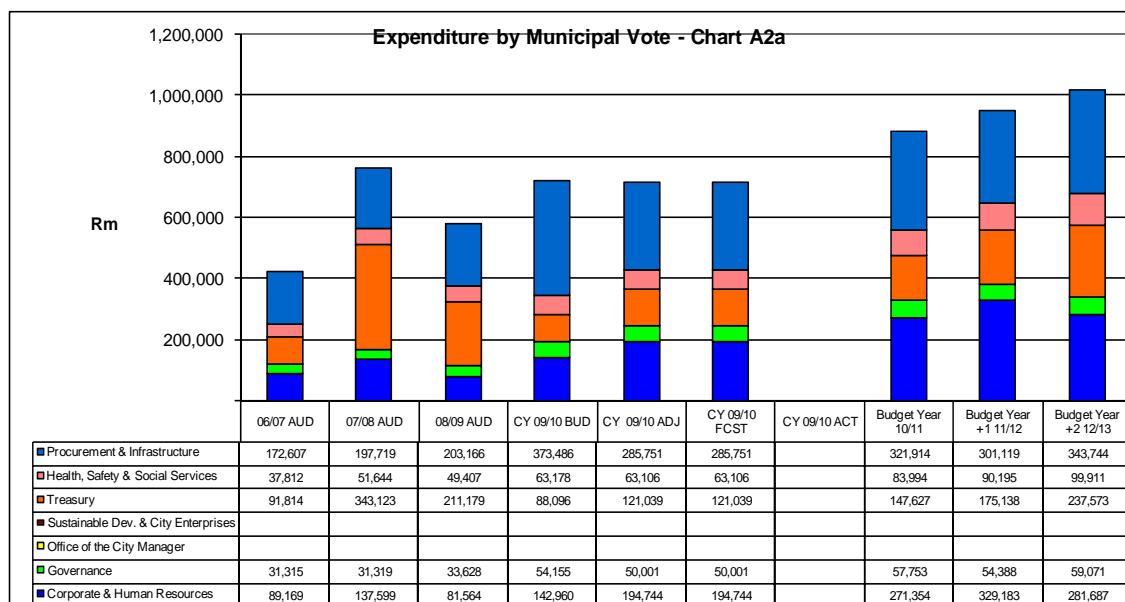
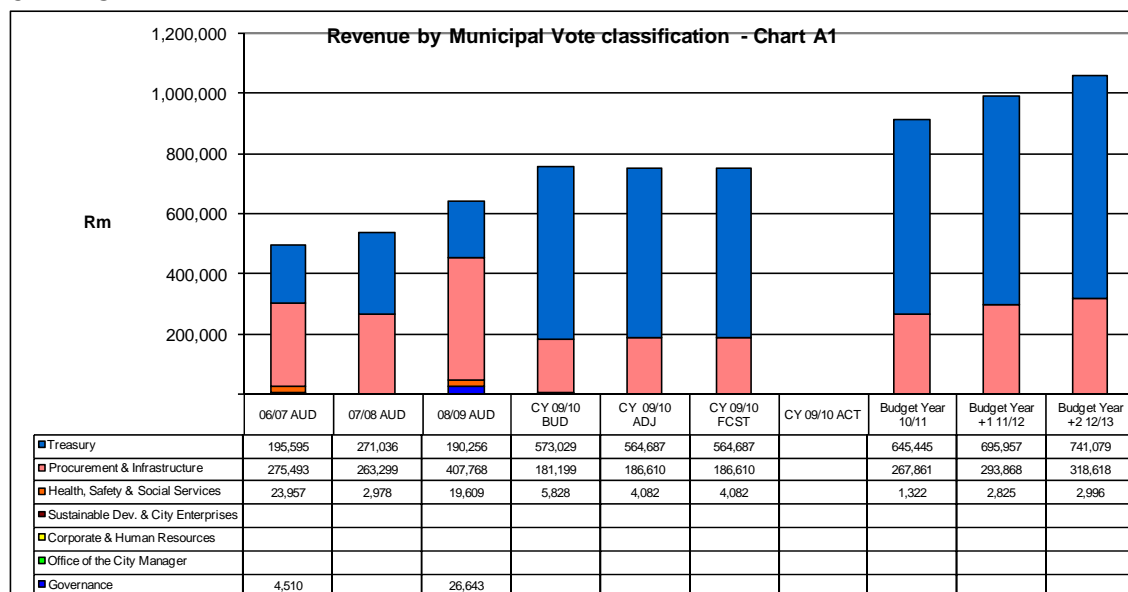
# Maluti-A-Phofung Municipality Annual Budget 2010 /2011 Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1

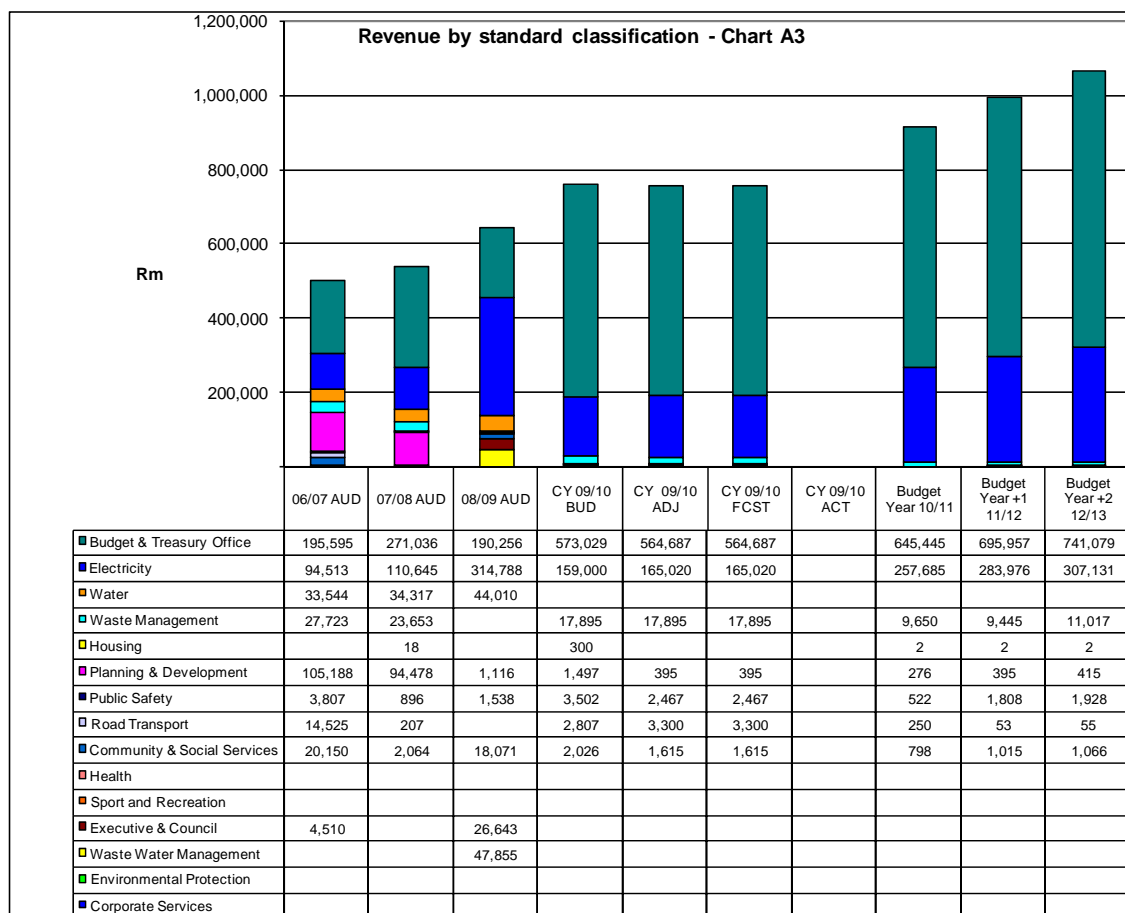
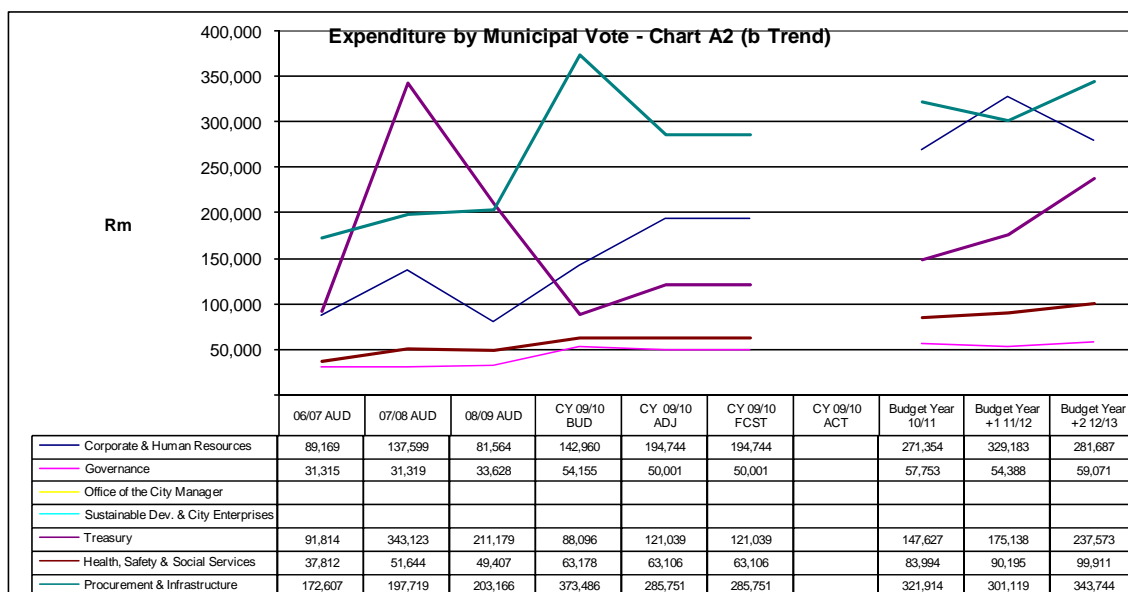
FS194 Maluti-a-Phofung - Table A10 Basic service delivery measurement

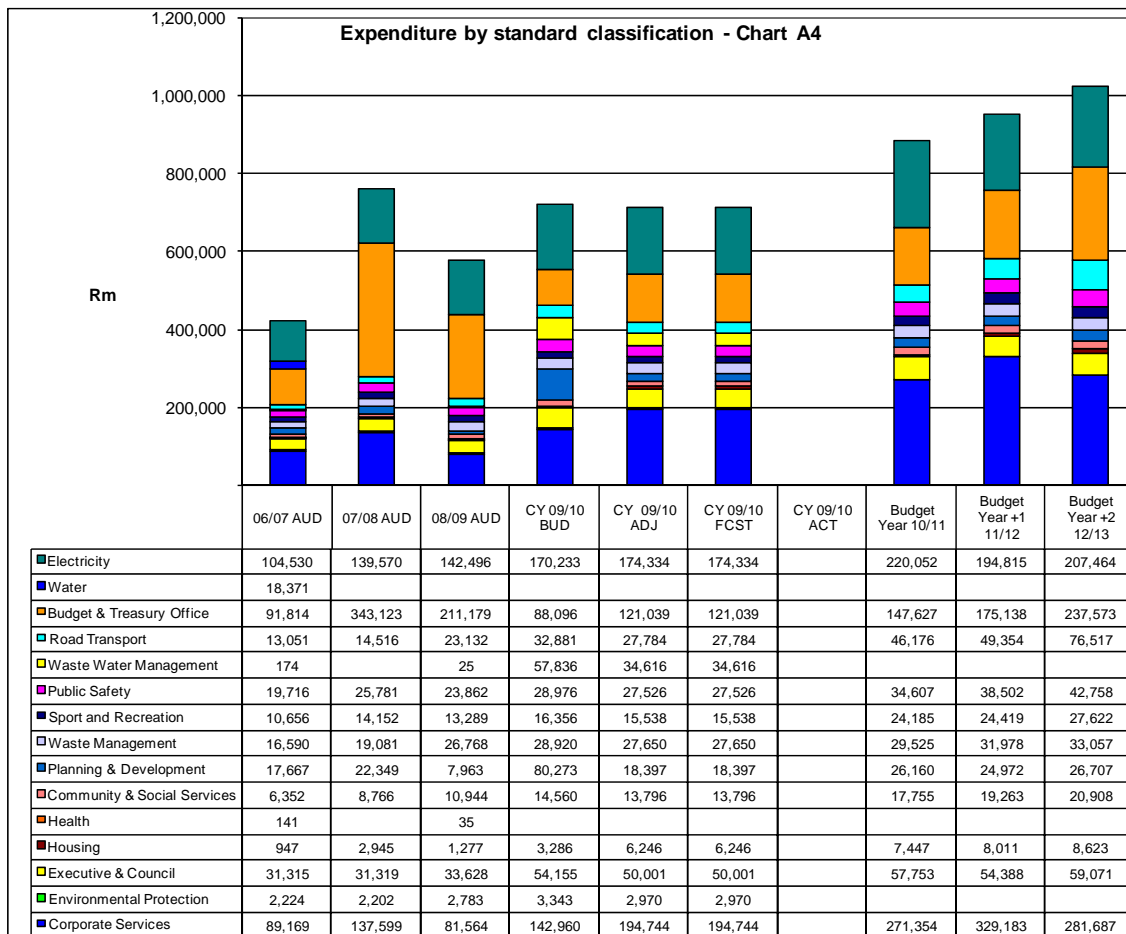
Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>Household service targets (000)</b>	1									
<b>Water:</b>										
Piped water inside dwelling				2,006	2,026	2,026	2,026	2,046	2,066	2,087
Piped water inside yard (but not in dwelling)				5,015	5,065	5,065	5,065	5,115	5,166	5,218
Using public tap (at least min.service level)	2			7,523	7,899	7,899	7,899	8,294	8,708	9,144
Other water supply (at least min.service level)	4			2,173	2,281	2,281	2,281	2,395	2,515	2,641
<i>Minimum Service Level and Above sub-total</i>										
Using public tap (< min.service level)	3			16,717	17,271	17,271	17,271	17,850	18,455	19,090
Other water supply (< min.service level)	4									
No water supply				133	147	161	178	186	196	206
<i>Below Minimum Service Level sub-total</i>										
				133	147	161	178	186	196	206
<b>Total number of households</b>	5			16,850	17,418	17,432	17,449	18,036	18,651	19,296
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)				13,110	13,241	13,241	13,241	13,374	13,507	13,642
Flush toilet (with septic tank)				460	464	464	464	469	473	478
Chemical toilet				4,554	4,599	4,599	4,599	4,646	4,691	4,738
Pit toilet (ventilated)				26,956	28,303	28,303	28,303	29,719	31,204	32,765
Other toilet provisions (> min.service level)				920	966	966	966	1,014	1,065	1,118
<i>Minimum Service Level and Above sub-total</i>										
Bucket toilet				46,000	47,573	47,573	47,573	49,221	50,940	52,741
Other toilet provisions (< min.service level)										
No toilet provisions				920	966	966	966	1,014	1,065	1,118
<i>Below Minimum Service Level sub-total</i>										
				920	966	966	966	1,014	1,065	1,118
<b>Total number of households</b>	5			46,920	48,539	48,539	48,539	50,235	52,005	53,859
<b>Energy:</b>										
Electricity (at least min.service level)				2,737	2,792	2,847	2,904	3,049	3,202	3,362
Electricity - prepaid (min.service level)				8,211	8,375	8,542	8,713	9,149	9,606	10,087
<i>Minimum Service Level and Above sub-total</i>										
Electricity (< min.service level)				10,948	11,167	11,389	11,617	12,198	12,808	13,449
Electricity - prepaid (< min. service level)										
Other energy sources				5,465	5,739	5,739	5,739	6,026	6,327	6,643
<i>Below Minimum Service Level sub-total</i>										
				5,465	5,739	5,739	5,739	6,026	6,327	6,643
<b>Total number of households</b>	5			16,413	16,906	17,128	17,356	18,224	19,135	20,092
<b>Refuse:</b>										
Removed at least once a week				15,290	15,595	15,907	16,225	16,550	16,881	17,219
<i>Minimum Service Level and Above sub-total</i>										
Removed less frequently than once a week				330	382	401		421	442	
Using communal refuse dump				2,860	3,311	3,477		3,650	3,833	
Using own refuse dump				30,140	34,891	36,636		38,467	40,390	
Other rubbish disposal				55	64	67		70	74	
No rubbish disposal				6,325	7,322	7,688		8,072	8,476	
<i>Below Minimum Service Level sub-total</i>										
				40	46	48		51	53	
<b>Total number of households</b>	5			40	15,336	15,643	16,225	16,601	16,934	17,219
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)					44			67	77	80
Sanitation (free minimum level service)					7			8	9	10
Electricity/other energy (50kwh per household per month)					97			101	139	143
Refuse (removed at least once a week)					7			8	9	10
<b>Cost of Free Basic Services provided (R'000)</b>	8									
Water (6 kilolitres per household per month)					16,474			26,484	30,397	33,420
Sanitation (free sanitation service)					5,937			7,657	8,640	10,324
Electricity/other energy (50kwh per household per month)					44,777			72,067	115,743	119,185
Refuse (removed once a week)					4,661			6,012	6,783	8,105
<b>Total cost of FBS provided (minimum social package)</b>					71,849			112,219	161,563	171,033
<b>Highest level of free service provided</b>										
Property rates (R'000 value threshold)										
Water (kilolitres per household per month)				6kl				6kl	8kl	8kl
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)					75			79	83	87
Electricity (kwh per household per month)										
Refuse (average litres per week)					50kwh			50kwh	60kwh	60kwh
					59			62	65	68
<b>Revenue cost of free services provided (R'000)</b>	9									
Property rates (R15 000 threshold rebate)					29,546			30,512	37,701	40,368
Property rates (other exemptions, reductions and rebates)					68,082			76,000	80,989	115,789
Water					16,474			26,484	30,397	33,420
Sanitation					5,937			7,657	8,640	10,324
Electricity/other energy					44,777			72,067	115,743	119,185
Refuse					4,661			6,012	6,783	8,105
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
<b>Total revenue cost of free services provided (total social package)</b>	6				169,478			218,731	280,253	327,190



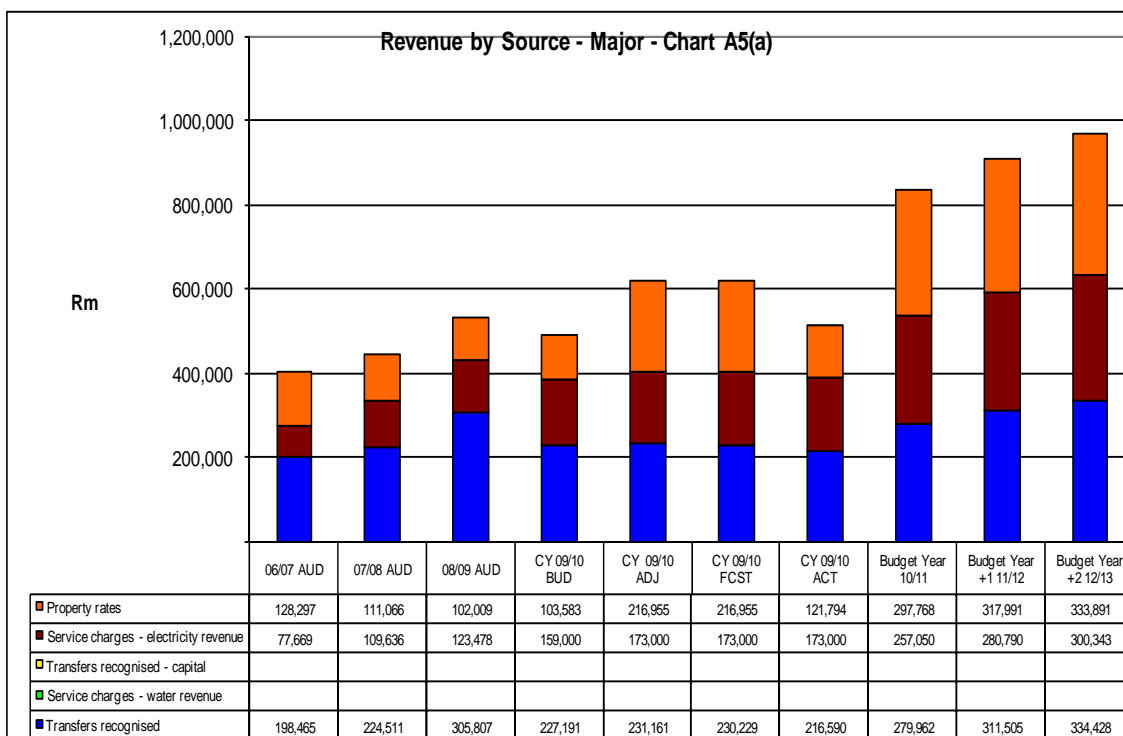
### 1.3 CHARTS

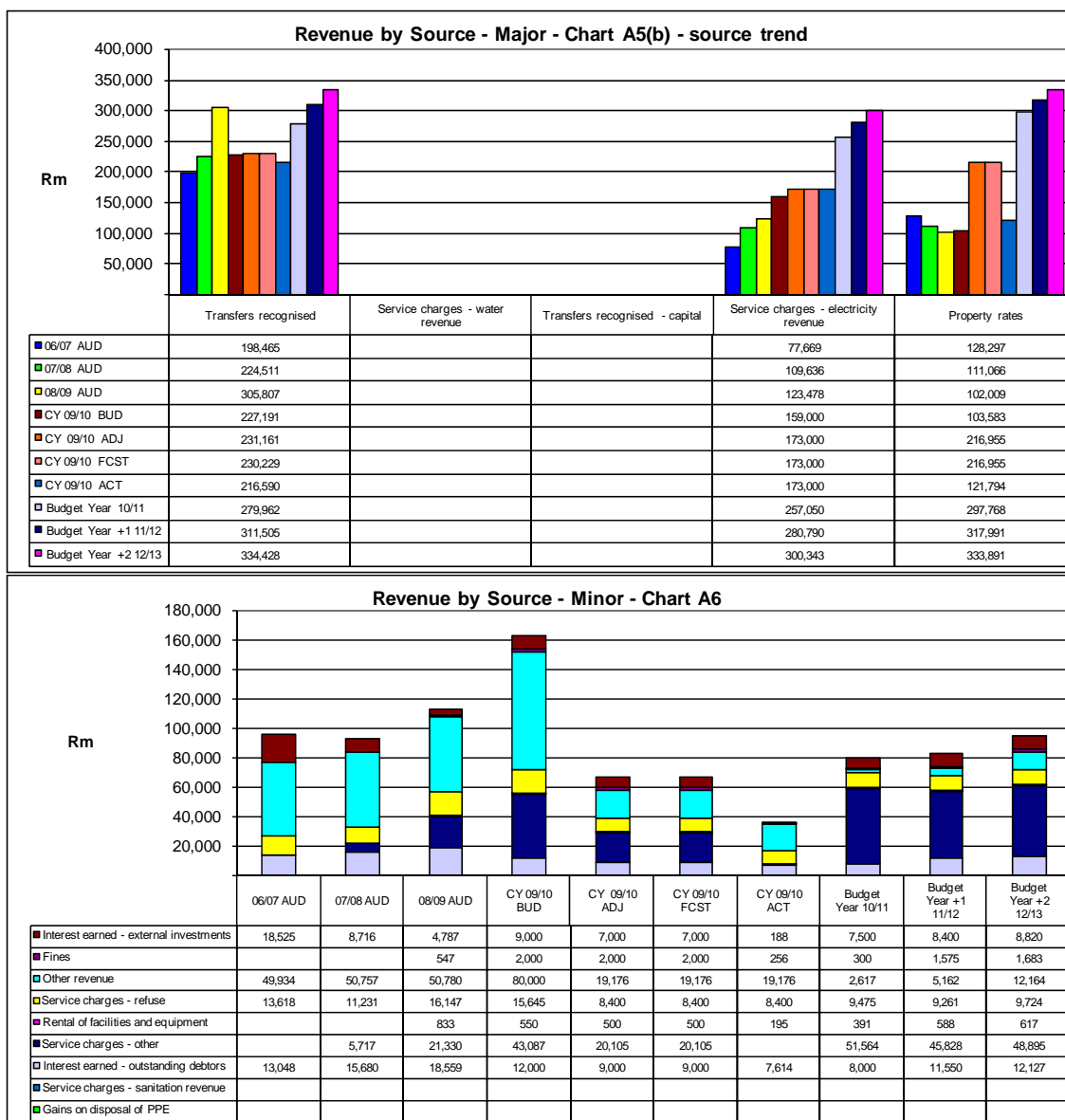


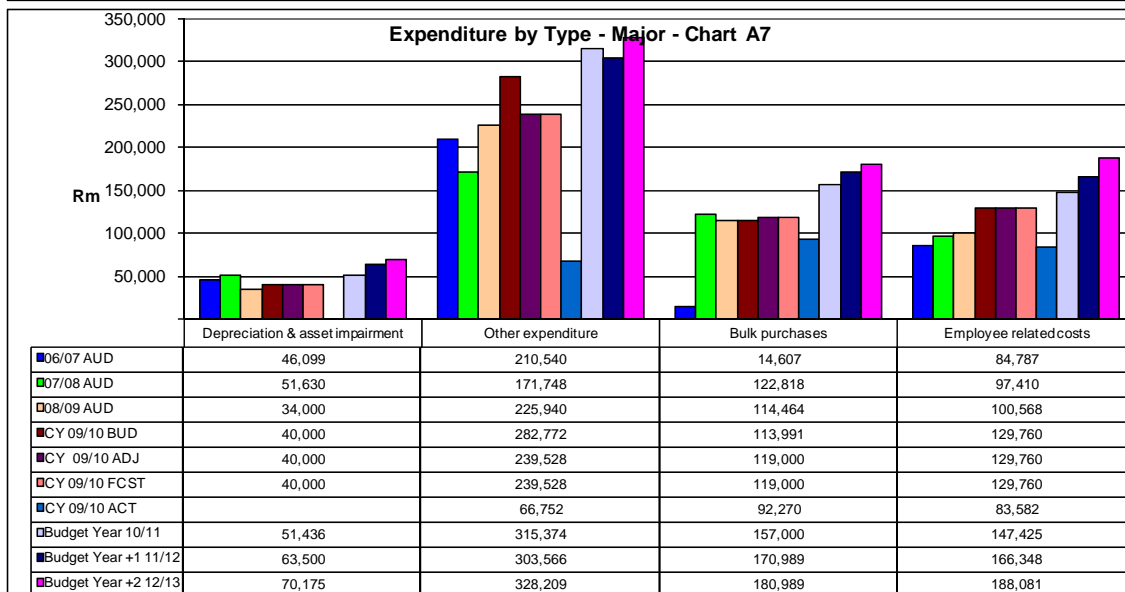
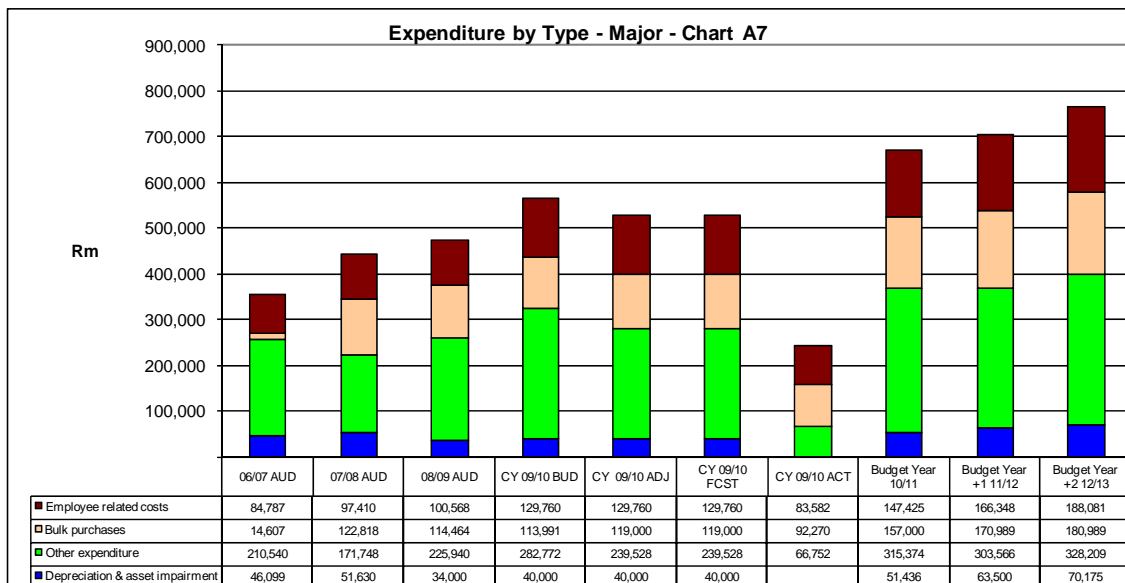


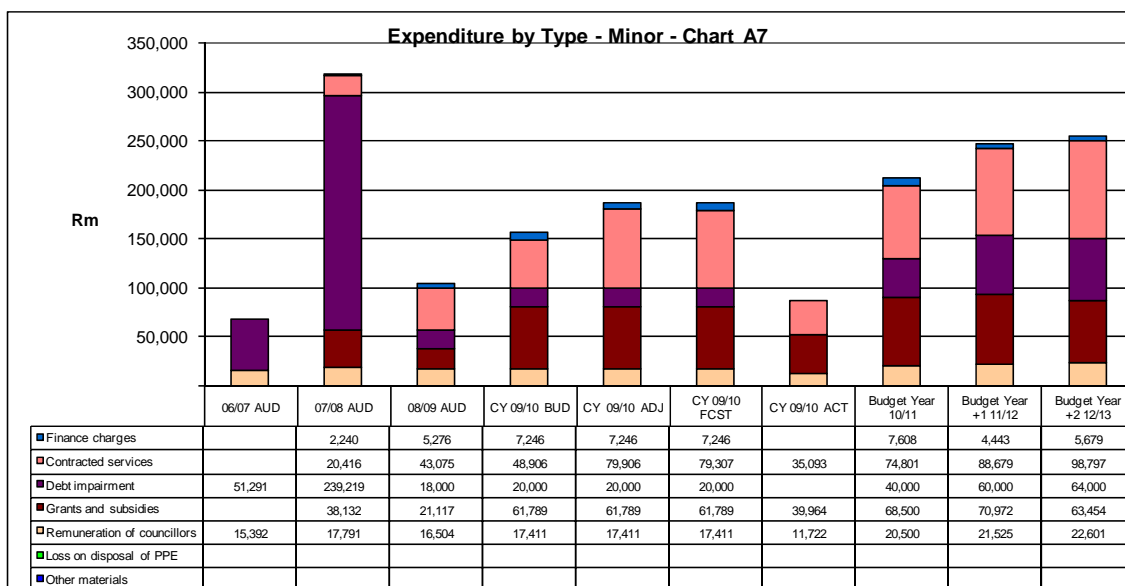














## PART 2: SUPPORTING DOCUMENTS

### 2.1 Overview of annual budget process

The MFMA requires the mayor of a municipality to provide general political guidance over the budget process and the priorities that must guide the preparation of a budget. The new National Treasury Budget Regulations gives further effect to this by prescribing that the mayor of a municipality must establish a budget steering committee to assist in discharging the mayor's budget preparation responsibilities.

The IDP and Budget time schedule of the 2010/2011 budget cycle was approved by Council on 27 July 2009, 11 months before the start of the budget year in compliance with legislative directives. The Process Plan set the framework for further engagements with various stakeholders to ensure adoption of the 2010/11 IDP and Budget by the end of May 2010.

In line with the above requirements, the budget process for the 2010/2011 MTREF period proceeded according to the following timeline:

**November 2009:** A session of the Directors investigated past performance trends of operating and capital budgets, identified budget realities going forward, and set the criteria and basis of Municipality' budget prioritization process.

**March 2010:** The draft operating and capital budgets, based on the parameters and assumptions set out in the MTREF model, were tabled at the Council meeting and the time table for budget and IDP participation was approved.

**April 2010:** The budge, IDP, Policies and Tariff proposals were published for comment and consultation as part of the public participation process.

**May 2010:** The comments received as a result of the public participation process were submitted to the relevant Directorates for their action and consideration before the Council consider the budget for adoption some input were taken to the IDP. The following inputs were noted during the budget and IDP participation process:

#### **Infrastructure projects:**

- Resurfacing of rural roads
- Provision of water within parks
- Provision of High mast lights
- Upgrading of access roads to graveyard
- Upgrading of bridges
- Maintenance of High mast lights
- Public Toilets in shopping centre's
- Provision of sanitation within cemeteries
- Construction of VIP toilets
- Construction of waterborne toilets
- Graveyard fencing
- Provision of paved roads
- Formalization of illegal line
- Ablution block Graveyard (KESTEL)
- Sports field Thaba bosiu and Tshiame
- Bridges (Steel Bridge)
- Completion of VIP Toilet (Phase 1) Thibella



Upgrading of mainline (sewerage connection)  
Purchase of graders and tipper trucks

**SAFETY**

Police station  
Safety at Elizabeth Ross residential area  
Movable police station and CCTV

**Housing, Spatial Planning & Development**

Conversion of hostel to Incubation centre  
Provision of RDP Houses  
Provision of Old age homes and orphanages

**LED & Tourism**

Environmental training and education  
SMME Projects  
Dry Beans project  
Bakery Makgolokoeng

**Parks,Sports & Recreation**

Provision of sports ground in Lusaka and Makeneng  
Provision of recreation facilities

**Health**

Provision of Clinic  
Provision of Ambulance and Mobile clinics  
Namahadi Clinic be provided with chairs



## 2.2 Overview of alignment of annual budget with Integrated Development Plan

FS194 Maluti-a-Phofung - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

2010/11 Medium Term Revenue & Expenditure Framework												
Strategic Objective	Goal	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework			
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13	
R thousand												
Sustainable Services	Water											
Sustainable Services	Electricity		94,513	110,645	314,788	159,000	165,020	165,020	257,685	283,974	307,131	
Sustainable Services	Sanitation								-			
Sustainable Services	Waste Management				-				-			
Sustainable Services	Health			-	16	-			-	-		
Sustainable Services	Community Services		37	23,690	16,290	17,908	17,900	17,900	9,657	9,452	11,024	
Infrastructure	Roads & Transport		14,525	207		900			-	-		
Infrastructure	Cemeteries			-	-	-			-	-		
Infrastructure	Housing Spatial Development and Planning		105,188	94,496	1,116	1,797	395	395	278	397	417	
Infrastructure	Municipal Infrastructure											
Infrastructure	Open Space				-	-			-	-		
Infrastructure	Public Amenities				-	-			-	-		
Good Governance	Support Services / Fleet				-	-			-	-		
Good Governance	Integrated Planning				-	-			-	-		
Good Governance	Financial Management		195,595	271,036	190,256	573,029	564,687	564,687	645,445	695,957	741,079	
Good Governance	Human Resources Management		-	-	492	553	150	150	50	53	55	
Good Governance	Legislative Authority		4,510	-	26,480	-			-	-		
Good Governance	Office of the Municipal Manager			-	163,000	-			-	-		
Economic Development	Local Economic Development			-	-	-			-	-		
Social Development	Parks,Sports & Recreation		11,365	2,027	1,289	1,460	1,460	1,460	741	956	1,003	
Social Development	Public Participation			-	-	-			-	-		
Safety & Security	Safety and security		3,807	896	1,538	5,409	5,767	5,767	572	1,861	1,983	
Safety & Security	Fire & Rescue			-	-	-			-	-		
Safety & Security	Disaster Management				-	-			-	-		
Safety & Security	Security				-	-			-	-		
Total Revenue (excluding capital transfers and contributions)			1	429,540	502,996	715,265	760,056	755,379	755,379	914,428	992,650	1,062,692

FS194 Maluti-a-Phofung - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

2011 Medium Term Revenue & Expenditure Framework											
Supporting Table 2: Reconciliation of the Strategic Objectives and Budget (Reporting Expenditure)											
Strategic Objective	Goal	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand											
Sustainable Services	Waste Water Management										
Sustainable Services	Electricity		104,530	139,570	142,496	170,233	174,334	174,334	220,052	194,815	207,464
Sustainable Services	Sanitation			-	-	-	-	-			
Sustainable Services	Waste Management		16,590	19,081	26,768	28,920	27,650	27,650	29,525	31,978	33,057
Sustainable Services	Health		141		35						
Sustainable Services	Community		4,000	4,934	7,255	10,379	9,684	9,684	12,931	14,030	15,229
Infrastructure	Roads Transport		9,518	7,740	8,540	22,831	18,268	18,268	32,962	39,647	65,950
Good Governance	Financial Management		166,325	464,040	278,317	268,002	294,630	294,630	383,589	468,450	480,835
Good Governance	Corporate		15,405	15,431	16,030	20,088	19,084	19,084	34,831	35,375	38,006
Good Governance	Legislative Authority		23,283	25,045	26,952	39,924	37,927	37,927	38,947	36,367	39,542
Good Governance	Office of the Municipal Manager		9,636	11,357	8,762	19,215	18,255	18,255	24,191	23,750	25,628
Environmental Management	Housing Spatial Development & Planning		17,928	22,494	7,964	21,998	20,898	20,898	23,175	23,761	25,474
Economic Development	Local Economic Development		2,743	3,329	2,448	7,068	6,714	6,714	10,432	9,222	9,856
Social Development	Parks, Sports & Recreation		10,656	14,152	13,289	16,356	15,538	15,538	24,185	24,418	27,622
Social Development	Municipal Infrastructure		3,618	8,448	16,205	10,050	9,516	9,516	13,215	9,707	10,564
Safety & Security	Public Safety & Transport		19,785	24,772	23,862	27,887	26,488	26,488	33,410	37,245	41,438
Safety & Security	Waste Water Management (MAP Water)										
Safety & Security	Disaster Management		12	1,009	-	1,088	1,038	1,038	1,197	1,257	1,320
Safety & Security	Other										
		1	404,172	761,404	578,921	664,039	680,024	680,024	882,643	950,022	1,021,985



# Maluti-A-Phofung Municipality Annual Budget 2010 /2011 Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1

FS194 Maluti-a-Phofung - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

31/12/2011 Medium Term Revenue & Expenditure Framework - Supporting Table SAO Reconciliation of RFR Strategic Objectives and Budget (Capital Expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand												
Sustainable Services	Waste Water Management	A		2,900	5,815	237	7,388	7,388	7,388	33,059	-	-
Sustainable Services	Water	B		16,200	25,717	34,840	41,777	48,777	48,777	97,850	76,300	14,000
Sustainable Services	Electricity	C		10,910	8,300	15,400	25,515	25,515	25,515	10,000	10,000	20,000
Sustainable Services	Waste Management	D		2,000	-	-	-	-	-	-	-	-
Sustainable Services	Health	E		-	-	-	-	-	-	-	-	-
Sustainable Services	Community	F		1,500	6,733	5,151	-	-	-	2,000	-	-
Infrastructure	Roads & Transport	G		22,000	15,331	33,592	71,050	55,020	55,020	95,647	15,000	10,000
Infrastructure	Cemeteries	H		-	-	-	-	-	-	3,784	-	-
Infrastructure	Housing Spatial Development and Disasters	I		-	3,000	-	-	-	-	-	-	-
Infrastructure	Sport Stadium 2010	J		-	-	-	-	-	-	-	-	-
Infrastructure	Municipal Infrastructure	K		-	-	-	-	-	-	-	-	-
Infrastructure	Public Amenities	L		-	-	-	-	-	-	-	-	-
Good Governance	Support Services / Fleet	M		-	-	-	-	-	-	-	-	-
Good Governance	Integrated Planning	N		-	-	-	-	-	-	-	-	-
Good Governance	Financial Management	O		-	-	-	-	-	-	-	-	-
Good Governance	Human Resources Management	P		-	-	-	-	-	-	-	-	-
Good Governance	Executive and Council	Q		-	-	-	-	-	-	-	-	-
Economic Development	Local Economic Development	R		-	-	-	-	-	-	-	-	-
Social Development	Health	S		-	3,500	500	-	-	-	-	-	-
Social Development	Culture & Sport	T		3,114	5,521	5,740	2,335	2,335	2,335	6,700	-	-
Social Development	Public Participation	U		-	-	-	-	-	-	-	-	-
Safety & Security	Road Safety	V		-	-	-	-	-	-	-	-	-
Safety & Security	Public Safety	W		-	-	-	-	-	-	-	-	-
Safety & Security	Fire & Rescue	X		3,956	-	-	-	-	-	-	-	-
Safety & Security	Disaster Management	Y		-	-	-	-	-	-	-	-	-
Other		Z		62,185	68,558	116,920	120,634	120,636	120,636	12,800	186,336	223,329
			1	124,765	142,474	212,380	268,699	259,671	259,671	261,840	287,636	267,329





## 2.3 Measurable performance objectives and indicators

FS194 Maluti-a-Phofung - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>Borrowing Management</b>											
Borrowing to Asset Ratio	Total Long-Term Borrowing/Total Assets	0.8%	0.7%	0.9%	1.5%	1.7%	1.7%	0.0%	1.6%	1.6%	0.0%
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.0%	2.2%	1.3%	1.7%	1.0%	1.0%	0.0%	0.2%	-0.5%	-0.4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	-10.5%	-3.9%	-2.5%	-39.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>											
Debt to Equity	Loans, Creditors, Overdraft & Tax Provision/ Funds & Reserves	4.1%	68.6%	17.2%	200.5%	0.0%	0.0%	0.0%	182.3%	163.4%	0.0%
Gearing	Long Term Borrowing/ Funds & Reserves	2.9%	49.1%	49.1%	49.1%	0.0%	0.0%	0.0%	49.1%	49.1%	0.0%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	9.1	1.2	2.1	5.1	3.0	3.0	-	4.3	5.4	10.9
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	9.1	1.2	2.1	5.1	3.0	3.0	-	4.3	5.4	10.9
Liquidity Ratio	Monetary Assets/Current Liabilities	0.5	0.1	0.5	1.3	1.3	1.3	-	1.5	1.7	5.7
<b>Revenue Management</b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		148.4%	17.1%	97.3%	97.3%	97.3%	97.3%	0.0%	67.3%	23.9%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	74.7%	88.4%	27.5%	27.4%	11.4%	11.5%	0.0%	13.3%	14.8%	6.3%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<b>Creditors Management</b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA's 65(e))										
<b>Funding of Provisions</b>											
Provisions not funded - %	Unfunded Provs./Total Provisions										
<b>Other Indicators</b>											
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	% Volume (units purchased and own source less units sold)/Total units purchased and own source										
Employee costs	Employee costs/(Total Revenue - capital revenue)	17.0%	18.1%	15.6%	19.9%	18.9%	18.9%	22.7%	16.1%	16.7%	18.6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	20.9%	21.4%	0.9%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	9.2%	10.0%	6.1%	7.2%	6.9%	6.9%	0.0%	6.9%	6.8%	7.5%
<b>IDP regulation financial viability indicators</b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	7.7	10.2	9.9	-	-	-	13.9	27.1	28.2	28.0
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	159.2%	199.8%	67.1%	55.6%	18.8%	18.8%	0.0%	19.6%	22.4%	9.9%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	45.0	12.9	22.8	3.3	-	-	-	5.4	2.3	2.2

## 2.4 Overview of budget-related policies

The following policies have been used as basis for the preparation of the annual budget and changes to these policies is listed on Annexure 3 of the budget document.

### A) TARIFF POLICY

- The Municipal System Act (section 74) requires Council to adopt a Tariff Policy. The general financial management functions as stated in section 62(1) (f) of the MFMA also states that the municipality must have and implement the policy, when determining this policy specific legislation applicable to each service has been taken into consideration. Tariff policy is attached in Annexure 4.



**B) CREDIT CONTROL POLICY**

- This policy has been formulated in terms of section 96(b) and 98 of the Local Government: Municipal Systems Act, 2000. Credit Control Policy is attached in Annexure 4

**C) RATES POLICY**

- This policy is formulated in terms of section 3 of the MPRA see the attached policy in Annexure 4

**D) SUPPLY CHAIN POLICY**

- Section 111 of the MFMA requires each Municipality and municipal entity to adopt and implement a supply chain management policy, which gives effect to the requirements of the Act. This policy is attached in Annexure 4

**E) INDIGENT POLICY**

- The objective of this policy is to assist households which are not able to service their municipal accounts as and when they are due and payable, as result of local economic, social and environmental challenges other than through negligence or unwillingness to pay. See the attachment of this policy in Annexure 4

**F) BUDGET POLICY**

- The budget policy aims to develop, maintain processes required in developing a municipality budget and detailing the responsibilities of all stakeholders inclusive of the accounting officer, the council, the public through public participation programmes. The most preferred method of budgeting is the “Zero based” budgeting system. See the attachment of this policy in Annexure 4

**G) CASH AND INVESTMENT POLICY**

- The investment Policy, which deals with the management of the municipality's surplus cash resources and the investment thereof. See the attachment of this policy in Annexure 4

**H) ASSETS MANAGEMENT POLICY**

- The objective of this policy is to ensure utilization, management safeguarding municipality's tangible and intangible assets effectively, efficiently and optimally. See the attachment of this policy in Annexure 4

**i) ACCOUNTING POLICY**

- The objective of this policy is to prescribe the accounting and administrative policies and procedures relating to the financial statement in line with GRAP. See the attachment of this policy in Annexure 4



## 2.5 Overview of budget funding

FS194 Maluti-a-Phofung Supporting Table SA10 Funding measurement

S174 multi-part funding supporting table S174-1 funding measurement												
Description	MFMA section	Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>Funding measures</b>												
Cash/cash equivalents at the year end - R'000	18(1)b	1	623,076	576,241	607,345	109,784	-	109,784	-	226,233	73,178	56,825
Cash + investments at the yr end less applications - R'000	18(1)b	2	341,793	70,836	82,006	409,698	-	494,615	-	663,629	631,780	588,130
Cash year end/monthly employee/supplier payments	18(1)b	3	45.0	12.9	22.8	3.3	-	3.0	-	5.3	1.5	1.1
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	114,962	(224,090)	65,332	(69,819)	(27,343)	(27,676)	217,831	83,420	106,128	110,881
Service charge rev % change - macro CPIX target exclusive	18(1)a(2)	5	N.A.	2.2%	4.7%	16.2%	24.2%	(6.0%)	(33.5%)	41.2%	0.2%	(0.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a(2)	6	140.5%	12.6%	2.7%	51.7%	(40.2%)	45.3%	(55%)	52.1%	9.6%	20.5%
Debt impairment expense as a % of total billable revenue	18(1)a(2)	7	23.4%	100.7%	6.8%	6.2%	4.8%	4.8%	0.0%	6.5%	9.2%	9.2%
Capital payments % of capital expenditure	18(1)c:19	8	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	(3.1%)	(3.9%)	(2.5%)	(18.7%)	0.0%	(20.1%)	0.0%	0.0%	(13.1%)	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	35.8%	(62.7%)	192.9%	(100.0%)	0.0%	(100.0%)	21.3%	(13.3%)	(34.5%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	2.4%	#NAME?	2.1%	4.2%	0.0%	3.4%	0.0%	5.5%	6.2%	5.4%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.7%	0.0%	0.0%	0.0%

See point 1.1.1 to 1.1.3 of the executive summary above on the overview of the budget funding



## 2.6 Expenditure on allocations and grant programmes

FS194 Maluti-a-Phofung - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
National Government:		-	150,548	185,202	224,991	5,238	230,229	279,963	311,505	334,428
Finance Management			500	500	750	-	750	1,200	1,450	1,500
Municipal Systems Improvement			734	734	735	-	735	750	790	800
Equitable share			129,419	165,374	208,757	5,238	213,995	267,069	301,604	332,128
Department of Water Affairs			19,895	18,594	14,749	-	14,749	10,944	7,661	-
Provincial Government:		-	-	0	-	-	-	-	-	-
Housing	4				-	-	-	-	-	-
Integrated Spatial Development					-	-	-	-	-	-
Construction of New Clinic at OwaOwa					-	-	-	-	-	-
Planning and surveying					-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
<b>Total Operating Transfers and Grants</b>	5	-	150,548	185,202	224,991	5,238	230,229	279,963	311,505	334,428
<b>Capital Transfers and Grants</b>										
National Government:		-	62	111,555	167,501	7,000	174,501	216,840	257,636	242,329
Municipal Infrastructure (MIG)			62,113	86,597	126,967	-	126,967	142,459	171,336	208,329
Public Works			-	-	2,383	-	2,383	9,381	-	-
Water Affairs			-	24,958	23,000	7,000	30,000	55,000	76,300	14,000
DME			-	-	15,151	-	15,151	10,000	10,000	20,000
Provincial Government:		-	-	-	-	-	-	14,000	15,000	10,000
Provincial Grants								14,000	15,000	10,000
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>Basdme</i>										
<i>DBSA</i>										
<b>Total Capital Transfers and Grants</b>	5	-	62	111,555	167,501	7,000	174,501	230,840	272,636	252,329
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		-	150,610,113	296,757	392,492	12,238	404,730	510,803	584,141	586,757



**Maluti-A-Phofung Municipality Annual Budget 2010 /2011**  
**Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1**

FS194 Maluti-a-Phofung - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>R thousand</b>										
<b>EXPENDITURE:</b>	1									
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		134,162	150,548	185,203	224,991	5,238	230,229	279,963	311,505	334,428
Finance Management		500	500	500	750	-	750	1,200	1,450	1,500
Municipal Systems Improvement		734	734	735	735	-	735	750	790	800
Equitable share		109,268	129,419	165,374	208,757	5,238	213,995	267,069	301,604	332,128
Department of Water Affairs		23,660	19,895	18,594	14,749	-	14,749	10,944	7,661	-
<b>DME</b>										
<b>Provincial Government:</b>		-	0	0	0	0	0	0	0	0
Housing										
Integrated Spatial Development										
Construction of New Clinic at OwaOwa										
Planning and surveying										
<b>0</b>										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<i>(insert description)</i>										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<i>(insert description)</i>										
<b>Total operating expenditure of Transfers and Grants:</b>		134,162	150,548	185,203	224,991	5,238	230,229	279,963	311,505	334,428
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		1,000	4,600	111,555	171,932	7,000	178,932	216,840	257,636	242,329
Municipal Infrastructure (MIG)				86,597	126,967	-	126,967	142,459	171,336	208,329
Public Works				-	2,383	-	2,383	9,381	-	-
Water Affairs				24,958	23,000	7,000	30,000	55,000	76,300	14,000
<b>DME</b>		1,000	4,600	-	19,582	-	19,582	10,000	10,000	20,000
<b>Provincial Government:</b>		-	-	-	-	-	-	14,000	15,000	10,000
<b>Provincial Grants</b>								14,000	15,000	10,000
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<i>(insert description)</i>										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<i>Basdme</i>										
<b>Total capital expenditure of Transfers and Grants</b>		1,000	4,600	111,555	171,932	7,000	178,932	14,216,840	15,257,636	10,242,329
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		135,162	155,148	296,758	396,923	12,238	409,161	14,496,803	15,569,141	10,576,757



## 2.7 Allocations and grants made by the municipality

FS194 Maluti-a-Phofung - Supporting Table SA21 Transfers and grants made by the municipality

Description R thousand	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<u>Transfers to other municipalities</u> <i>Insert description</i>	1									
TOTAL TRANSFERS TO MUNICIPALITIES:		-	-	-	-	-	-	-	-	-
<u>Transfers to Entities/Other External Mechanisms</u> <i>Insert description</i>	2									
TOTAL TRANSFERS TO ENTITIES/EMS'		-	-	-	-	-	-	-	-	-
<u>Transfers to other Organs of State</u> <i>Insert description</i>	3									
TOTAL TRANSFERS TO OTHER ORGANS OF STATE:		-	-	-	-	-	-	-	-	-
<u>Grants to other Organisations</u>										
<i>Water Entity</i>	4	20,295	19,895	18,594,000	14,749	14,749	14,749	10,944	7,661	8,044
<i>water Free basic Entity</i>		18,973	21,295	21,117,000	47,040	47,040	47,040	57,555	63,311	63,454
TOTAL GRANTS TO OTHER ORGANISATIONS:		39,268	41,190	39,711,000	61,789	61,789	61,789	68,499	70,972	71,498
TOTAL TRANSFERS AND GRANTS	5	39,268	41,190	39,711,000	61,789	61,789	61,789	68,499	70,972	71,498

## 2.8 Councillor and board member allowances and employee benefits



# Maluti-A-Phofung Municipality Annual Budget 2010 /2011 Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1

FS194 Maluti-a-Phofung - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>Councillors (Political Office Bearers plus Other)</b>	1	A	B	C	D	E	F	G	H	I
Salary		14,042	16,381	10,274	11,157	11,157	11,157	13,497	13,683	13,819
Pension Contributions		1,351	1,410	2,076	1,925	1,925	1,925	2,156	2,414	2,703
Medical Aid Contributions				-	307	307	307	343	384	430
Allowances				3,858	4,022	4,022	4,022	4,504	5,044	5,649
Cell phone allowance										
Housing allowance										
Other benefits or allowances										
In-kind benefits										
<b>Sub Total - Councillors</b>		15,392,173	17,791	16,208	17,411	17,411	17,411	20,500	21,525	22,601
% increase	4		(99.9%)	(8.9%)	7.4%	-	-	17.7%	5.0%	5.0%
<b>Senior Managers of the Municipality</b>	2									
Salary		3	3,841	3,688	3,577	-	3,577	4,013	5,568	5,907
Pension Contributions		0	542	274	498	-	498	557	623	697
Medical Aid Contributions				-	145	-	145	162	181	202
Allowances			1,187	1,228	1,544	-	1,544	1,936	2,404	2,949
Cell phone allowance			0	0	-	-	-	0	0	177
Housing allowance										
Performance Bonus			186		216	-	216	-	-	-
Other benefits or allowances		1	135	98	-	-	-	-	-	-
In-kind benefits										
<b>Sub Total - Senior Managers of Municipality</b>		4,310	6,172	5,408	5,980	0	5,980	6,828	8,946	9,932
% increase	4		43.2%	(12.4%)	10.6%	(100.0%)	-	14.2%	31.0%	11.0%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		50,758	75,246,320	74,317	79,345	-	77,381	97,132	109,677	125,247
Pension Contributions		5,260	6,118,858	4,365	14,673	-	14,673	16,433	18,404	20,612
Medical Aid Contributions		17,672	6,175,000	9,397	8,418	-	8,418	3,457	3,602	4,034
Allowances		2,967	3,447,036	4,961	5,292	-	5,292	327	366	409
Cell phone allowance										
Housing allowance		368	433							
Overtime		7,762	5,990	7,528	4,132	1,964	6,096	3,200	2,900	2,700
Performance Bonus					17,900	-	17,900	20,048	22,453	25,147
Other benefits or allowances					-	-	-	-	-	-
In-kind benefits										
<b>Sub Total - Other Municipal Staff</b>		84,786,705	97,410,139	100,568	129,760	1,964	129,760	140,597	157,402	178,149
% increase	4		14.9%	(99.9%)	29.0%	(98.5%)	6,506.9%	8.4%	12.0%	13.2%
<b>Total Parent Municipality</b>		100,183	97,434	122	153	19	153	168	188	211
			(2.7%)	(99.9%)	25.3%	(87.3%)	690.5%	9.6%	11.9%	12.1%
<b>Board Members of Entities</b>										
Salary										
Pension Contributions										
Medical Aid Contributions										
Allowances										
Cell phone allowances										
Housing allowance										
Board Fees										
Other benefits and allowances										
In-kind benefits										
<b>Sub Total - Board Members of Entities</b>		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
<b>Senior Managers of Entities</b>										
Salary				1,706	1,953	1,739	1,739	2,069	2,234	2,345
Pension Contributions				336	384	342	342	406	438	459
Medical Aid Contributions				55	62	56	56	66	71	74
Motor vehicle allowance										
Cell phone allowances										
Housing allowance										
Performance Bonus				-	1,584	1,410	1,410	1,677	1,811	1,901
Other benefits or allowances										
Overtime										
<b>Sub Total - Senior Managers of Entities</b>		0	0	2,097	3,983	3,547	3,547	4,218	4,554	4,779
% increase	4		-	-	89.9%	(10.9%)	-	18.9%	8.0%	4.9%
<b>Other Staff of Entities</b>										
Basic Salaries and Wages		25	23,546	26,815	31,318	28,038	28,028	33,566	36,609	40,280
Pension Contributions		2	3,431	4,023	4,172	3,928	3,928	4,572	5,006	5,481
Medical Aid Contributions		1	1,728	2,043	1,902	2,039	2,039	2,779	3,043	3,332
Motor vehicle allowance		0								
Cell phone allowances										
Housing allowance					600			600	600	600
Overtime		3	2,410	2,334	2,000	3,389	3,389	2,150	2,354	2,577
Performance Bonus					1,584			1,743	1,908	2,089
Other benefits or allowances		2	1	1,430	4,700	3,839	3,839	4,447	4,869	5,331
In-kind benefits										
<b>Sub Total - Other Staff of Entities</b>		33,276	32,462	36,645	46,276	41,233	41,223	49,857	54,389	59,690
% increase	4		(2.4%)	12.9%	26.3%	(10.9%)	(0.0%)	20.9%	9.1%	9.7%
<b>Total Municipal Entities</b>		33,276	32,462	38,742	50,259	44,780	44,770	54,075	58,943	64,469
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		100,216,464	97,466,564	160,926	203,410	64,155	197,921	222,000	246,816	275,151
% increase	4		(2.7%)	(99.8%)	26.4%	(68.5%)	208.5%	12.2%	11.2%	11.5%
<b>TOTAL MANAGERS AND STAFF</b>	5	84,824	97,448,773	144,718	185,999	46,744	180,510	201,500	225,291	252,550



# Maluti-A-Phofung Municipality Annual Budget 2010 /2011 Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1

FS194 Maluti-a-Phofung - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No. 10	Salary	Contrib. 1.	Allowances	Performance Bonuses	In-kind benefits 2.	Total Package 3.
<b>Rand per annum</b>								
<b>Councillors</b>	4							
Speaker	5		534,359	108,922	12,593			655,874
Chief Whip			262,607	50,079	12,000			324,686
Executive Mayor			1,730,542	412,663	137,079			2,280,284
Deputy Executive Mayor			-	-	-			-
Executive Committee			-	-	-			-
Total for all other councillors			10,969,493	1,927,336	4,342,328			17,239,157
<b>Total Councillors</b>	9	-	13,497,000	2,499,000	4,504,000			20,500,001
<b>Senior Managers of the Municipality</b>	6							
Municipal Manager (MM)			457,800	-	329,200			787,000
Chief Finance Officer			483,179	93	340,200			823,472
Deputy City Manager - Governance			396,274	-	276,182			672,456
Deputy City Manager - Procurement & Infrastructure			450,044		281,362			731,406
Deputy City Manager - Health, Safety & Social Issues			450,044		281,362			731,406
Deputy City Manager - Corporate & Human Resources			461,557		253,038			714,595
<i>List of each official with packages &gt;= senior manager</i>								
Head: Internal Audit & Performance Management			493,105		274,070			767,175
Head: Geographical Information & Policy			480,628		265,752			746,380
Head Office of Intergovernmental & Governance Relations			732,410		121,542			853,952
<b>Total Senior Managers of the Municipality</b>	9	-	4,405,040	93	2,422,708	-	-	6,827,842
<b>A Heading for Each Entity</b>	7, 8							
List each member of board by designation								-
Chief Executive Officer (CEO)								-
<b>Total for municipal entities</b>	9	-	-	-	-	-	-	-
<b>TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION</b>		-	17,902,041	2,499,093	6,926,708	-	-	27,327,842

## 2.9 Monthly targets for revenue, expenditure and cash flow

FS194 Maluti-a-Phofung - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2010/11												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>Revenue By Source</b>																
Property rates		24,814	24,814	24,814	24,814	24,814	24,814	24,814	24,814	24,814	24,814	24,814	24,814	297,768	317,991	333,891
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		21,421	21,421	21,421	21,421	21,421	21,421	21,421	21,421	21,421	21,421	21,421	21,421	257,050	280,790	300,343
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		790	790	790	790	790	790	790	790	790	790	790	790	9,475	9,261	9,724
Service charges - other		4,297	4,297	4,297	4,297	4,297	4,297	4,297	4,297	4,297	4,297	4,297	4,297	51,564	45,828	48,895
Rental of facilities and equipment		33	33	33	33	33	33	33	33	33	33	33	33	391	588	617
Interest earned - external investments		625	625	625	625	625	625	625	625	625	625	625	625	7,500	8,400	8,820
Interest earned - outstanding debtors		667	667	667	667	667	667	667	667	667	667	667	667	8,000	11,550	12,127
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		25	25	25	25	25	25	25	25	25	25	25	25	300	1,575	1,683
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational		23,330	23,330	23,330	23,330	23,330	23,330	23,330	23,330	23,330	23,330	23,330	23,330	279,962	311,505	334,428
Other revenue		218	218	218	218	218	218	218	218	218	218	218	218	2,617	5,162	12,164
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		76,219	76,219	76,219	76,219	76,219	76,219	76,219	76,219	76,219	76,219	76,219	76,219	914,628	992,650	1,062,692
<b>Expenditure By Type</b>																
Employee related costs		12,285	12,285	12,285	12,285	12,285	12,285	12,285	12,285	12,285	12,285	12,285	12,285	147,425	166,348	188,081
Remuneration of councillors		1,708	1,708	1,708	1,708	1,708	1,708	1,708	1,708	1,708	1,708	1,708	1,708	20,500	21,525	22,601
Debt impairment		3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	40,000	60,000	64,000
Depreciation & asset impairment		4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	51,436	63,500	70,175
Finance charges		634	634	634	634	634	634	634	634	634	634	634	634	7,608	4,443	5,679
Bulk purchases		13,083	13,083	13,083	13,083	13,083	13,083	13,083	13,083	13,083	13,083	13,083	13,083	157,000	170,989	180,989
Other materials		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		6,233	6,233	6,233	6,233	6,233	6,233	6,233	6,233	6,233	6,233	6,233	6,233	74,801	88,479	98,797
Transfers and grants		5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708	68,500	70,972	63,454
Other expenditure		26,281	26,281	26,281	26,281	26,281	26,281	26,281	26,281	26,281	26,281	26,281	26,281	315,374	303,566	328,209
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		73,554	73,554	73,554	73,554	73,554	73,554	73,554	73,554	73,554	73,554	73,554	73,554	882,643	950,022	1,021,985
<b>Surplus/(Deficit)</b>		2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	31,984	42,628	40,706
Transfers recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	31,984	42,628	40,706
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	1	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	31,984	42,628	40,706





# Maluti-A-Phofung Municipality Annual Budget 2010 /2011 Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1

FS194 Maluti-a-Phofung - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2010/11												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>Revenue by Vote</b>																
Legislative Authority		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial Services		53,787	53,787	53,787	53,787	53,787	53,787	53,787	53,787	53,787	53,787	53,787	53,787	645,445	695,957	741,079
Corporate Services		4	4	4	4	4	4	4	4	4	4	4	4	50	53	55
Community Services		805	805	805	805	805	805	805	805	805	805	805	805	9,657	9,452	11,024
Public Safety		48	48	48	48	48	48	48	48	48	48	48	48	572	1,861	1,983
Housing Spatial Development & Planning		23	23	23	23	23	23	23	23	23	23	23	23	278	397	417
Municipal Infrastructure		21,490	21,490	21,490	21,490	21,490	21,490	21,490	21,490	21,490	21,490	21,490	21,490	257,886	283,975	307,131
LED & Tourism		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parks, Sports & Recreation		62	62	62	62	62	62	62	62	62	62	62	62	741	956	1,003
Water & Sanitation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clinical Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>		76,219	76,219	76,219	76,219	76,219	76,219	76,219	76,219	76,219	76,219	76,219	76,219	914,628	992,650	1,062,692
<b>Expenditure by Vote to be appropriated</b>																
Legislative Authority		3,246	3,246	3,246	3,246	3,246	3,246	3,246	3,246	3,246	3,246	3,246	3,246	38,947	36,367	39,542
Office of the Municipal Manager		2,016	2,016	2,016	2,016	2,016	2,016	2,016	2,016	2,016	2,016	2,016	2,016	24,191	23,750	25,628
Financial Services		31,966	31,966	31,966	31,966	31,966	31,966	31,966	31,966	31,966	31,966	31,966	31,966	383,589	468,450	480,835
Corporate Services		2,903	2,903	2,903	2,903	2,903	2,903	2,903	2,903	2,903	2,903	2,903	2,903	34,831	35,375	38,006
Community Services		3,538	3,538	3,538	3,538	3,538	3,538	3,538	3,538	3,538	3,538	3,538	3,538	42,456	46,008	48,286
Public Safety		2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	34,607	38,502	42,758
Housing Spatial Development & Planning		1,931	1,931	1,931	1,931	1,931	1,931	1,931	1,931	1,931	1,931	1,931	1,931	23,175	23,761	25,474
Municipal Infrastructure		22,186	22,186	22,186	22,186	22,186	22,186	22,186	22,186	22,186	22,186	22,186	22,186	266,229	244,169	283,978
LED & Tourism		869	869	869	869	869	869	869	869	869	869	869	869	10,432	9,222	9,856
Parks, Sports & Recreation		2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	2,015	24,185	24,418	27,622
Water & Sanitation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clinical Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>		73,554	73,554	73,554	73,554	73,554	73,554	73,554	73,554	73,554	73,554	73,554	73,554	882,643	950,022	1,021,985
<b>Surplus/(Deficit) before assoc.</b>		2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	31,985	42,627	40,708
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/(deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	1	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	2,665	31,985	42,627	40,708

FS194 Maluti-a-Phofung - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2010/11												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>Capital Expenditure - Standard</b>	1															
<i>Governance and administration</i>																
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Budget and treasury office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	6,242	1,040	1,040	(4,161)	12,484	-	-
Community and social services		167	167	167	167	167	167	167	167	1,000	167	167	(667)	2,000	-	-
Sport and recreation		874	874	874	874	874	874	874	874	5,242	874	874	(3,495)	10,484	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	14,000	15,000	10,000
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	14,000	15,000	10,000
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		11,626	11,626	11,626	11,626	11,626	11,626	11,626	11,626	11,626	11,626	11,626	11,626	139,509	25,000	35,000
Electricity		833	833	833	833	833	833	833	833	833	833	833	833	10,000	10,000	20,000
Water		8,038	8,038	8,038	8,038	8,038	8,038	8,038	8,038	8,038	8,038	8,038	8,038	96,450	15,000	15,000
Waste water management		2,755	2,755	2,755	2,755	2,755	2,755	2,755	2,755	2,755	2,755	2,755	2,755	33,059	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		7,987	7,987	7,987	7,987	7,987	7,987	7,987	7,987	7,987	7,987	7,987	7,987	95,847	247,636	222,329
<b>Total Capital Expenditure - Standard</b>	2	21,820	21,820	21,820	21,820	21,820	21,820	21,820	21,820	27,022	21,820	21,820	16,618	261,840	287,636	267,329



## 2.10 Annual budgets and service delivery and budget implementation plans – internal departments

The SDBIP gives effect to the Integrated Development Plan and Budget of the municipality. It is the expression of the objectives of the MAP municipality with the expected outcomes which will be implemented by the administration (Directorates) within MAP municipality. It includes the service delivery targets and performance indicators for each quarter, which should be linked to the performance agreements of senior management. It facilitates oversight of financial and non-financial performance of the Municipality and allows the Municipal Manager to monitor the performance of the Directors, The Executive Mayor/ Council to monitor the performance of the Municipal Manager, and the community to monitor the performance of the Municipality. The Service Delivery Budget Implementation Plan (SDBIP) will be approved the Executive Mayor after the approval of the annual budget.

**In terms of section 53(1) © (ii) of the MFMA, the Service Delivery and Budget Implementation Plan (SDBIP) is expected to be approved by the mayor within 28 days after the approval of the budget and In addition, the Executive Mayor must ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators as set out in the SDBIP are made public within 14 days after its approval**

The SDBIP must contain the following:

- Measurable objectives,
- Monthly Projections
- Service delivery strategies,
- Key outputs,
- Performance/service delivery indicators, and
- Performance/service delivery targets.

These plans will be used as justification for the allocation of funds, whether it is of a capital or an operational nature. It is important that Portfolio Committee members are involved in the compilation of these operational plans to ensure that they address political aspirations

See Annexure 5 for detailed Operational Plans for 2010/2011 financial year

See Annexure 6 for detailed Service Delivery Operational Plans for 2010/2011 financial year



## 2.11 Capital expenditure details

FS194 Maluti-a-Phofung - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project		Ref	Program/Project description	Project number	IDP Goal code 3.	Asset Class 4.	Asset Sub-Class 4.	Total Project Estimate	Prior year outcomes		2010/11 Medium Term Revenue & Expenditure Framework			Project information	
R thousand		5							Audited Outcome 2008/9	Current Year 2009/10 Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13	Ward location	New or renewal
Parent municipality:															
List all capital projects grouped by Municipal Vote															
						Examples	Examples								
COMMUNITY SERVICES	X		HARRISMITH TOWN HALL			COMMUNITY HALLS		2,335	-	2,335	-				
COMMUNITY SERVICES	X		PHUTHADITJHABA HALL			COMMUNITY HALLS			-	-	2,000				RENEWAL
PARKS	X		FENCING AND INFRA AT CEMETRIES 1			CEMETRIES		2,000	-	2,000	1,784				NEW
PARKS	X		FENCING AND INFRA AT CEMETRIES 2			CEMETRIES			-	-	2,000				NEW
PARKS	X		PHUTHADITJHABA STADIUM			SPORT & RECREATION		8,942	-	8,942	6,700				RENEWAL
PARKS			HARRISMITHINTABAZWE CORRIDOR PHASE 1			HOUSES		36,000	-	36,000	-				
LAND	X		EXTENSION OF THE MAIN BUILDING			BUILDINGS	OFFICES	22,000	-	22,000	-				
ELECTICITY			ELECTRIFICATION PROGRAMME (2583)			INFRASTRUCTURE	ELECTRICITY	15,515	-	15,515	-				
ELECTICITY			Integrated National Electrification Programme (Eskom) Grant			INFRASTRUCTURE	ELECTRICITY	4,653	-	4,653	-				
ELECTICITY			ELECTRIFICATION PROGRAMME (2000)			INFRASTRUCTURE	ELECTRICITY	10,000	-	10,000	-				
ELECTICITY			ELECTRIFICATION PROGRAMME (1400)			INFRASTRUCTURE	ELECTRICITY				10,000	10,000	20,000		NEW
ELECTICITY			ELECTRIFICATION PROGRAMME (550) SNAKE PARK			INFRASTRUCTURE	ELECTRICITY				2,100				NEW
ELECTICITY			ELECTRIFICATION PROGRAMME (800) DISASTER PARK			INFRASTRUCTURE	ELECTRICITY				900				NEW
ELECTICITY			FORMALISATION OF ILLEGAL LINES (ELECTRIC)								5,000				
ROADS & STORMWATER			THOLONGESTELL PAVED ROAD 2			INFRASTRUCTURE	ROADS	9,176	-	9,176	-				
ROADS & STORMWATER			STEELBRIDGES PHASE 1			INFRASTRUCTURE	ROADS	6,872	-	6,872	7,000				NEW
ROADS & STORMWATER			THOLONGESTELL PAVED ROAD 3			INFRASTRUCTURE	ROADS	10,000	-	10,000	21,464				NEW
ROADS & STORMWATER			THOLONGESTELL PAVED ROAD 4			INFRASTRUCTURE	ROADS		-	-	2,000				NEW
ROADS & STORMWATER			PHUTHA PAVED ROADS			INFRASTRUCTURE	ROADS	2,500	-	2,500	7,500				NEW
ROADS & STORMWATER			OWA OWIA RURAL PAVED ROADS			INFRASTRUCTURE	ROADS	3,000	-	3,000	-				NEW
ROADS & STORMWATER			DISASTER PARK PAVED ROADS PHASE 1			INFRASTRUCTURE	ROADS	4,819	-	4,819	2,000				NEW
ROADS & STORMWATER			INTABAZWE PAVED ROADS 1			INFRASTRUCTURE	ROADS	3,000	-	3,000	7,451				NEW
ROADS & STORMWATER			INTABAZWE EXT 3 ROADS PHASE 1			INFRASTRUCTURE	ROADS		-	-	2,300				NEW
ROADS & STORMWATER			TSHAME PAVED ROADS 1			INFRASTRUCTURE	ROADS	3,000	-	3,000	9,251				NEW
ROADS & STORMWATER			FOOTBRIDGES			INFRASTRUCTURE	ROADS	2,000	-	2,000	-				NEW
ROADS & STORMWATER			INCENTIVE GRANTS FOR MUNICIPALITY (EXPWP)			INFRASTRUCTURE	ROADS	2,383	-	2,383	9,381				NEW
ROADS & STORMWATER			REGRAVELLING OF ROADS (OWAOWIA)			INFRASTRUCTURE	ROADS	8,378	-	8,378	-				
ROADS & STORMWATER			RESURFACING OF ROADS MAP TOWNSHIPS			INFRASTRUCTURE	ROADS	18,883	-	18,883	4,600				RENEWAL
ROADS & STORMWATER			ROADS MAINTENANCE			INFRASTRUCTURE	ROADS				14,000	15,000	10,000		NEW
ROADS & STORMWATER			PAVED ROADS LUSAKA			INFRASTRUCTURE	ROADS		-	-	-				NEW
ROADS & STORMWATER			UNFINISHED MAP ROADS			INFRASTRUCTURE	ROADS		-	-	700				RENEWAL
ROADS & STORMWATER			PAVED ROADS INTABAZWE			INFRASTRUCTURE	ROADS		-	-	-				
SEWERAGE & SANITATION			VIP TOILET PROJECT PHASE 1			INFRASTRUCTURE	SEWER & SANITATION	31,000	-	31,000	-				
SEWERAGE & SANITATION			VIP TOILET PROJECT PHASE 2			INFRASTRUCTURE	SEWER & SANITATION		-	-	21,000				NEW
SEWERAGE & SANITATION			INTABAZWE WATERBORNE TOILETS			INFRASTRUCTURE	SEWER & SANITATION	4,797	-	4,797	2,306				NEW
SEWERAGE & SANITATION			INTABAZWE TOILETS			INFRASTRUCTURE	SEWER & SANITATION		-	-	4,076				NEW
SEWERAGE & SANITATION			TSHAME SEWER RETICULATION			INFRASTRUCTURE	SEWER & SANITATION	5,000	-	5,000	5,377				NEW
SEWERAGE & SANITATION			BLUEGUMBOSCH SANITATION			INFRASTRUCTURE	SEWER & SANITATION	1,468	-	1,468	300				NEW
SEWERAGE & SANITATION			MACHEKUNG SANITATION			INFRASTRUCTURE	SEWER & SANITATION	920	-	920	-				
WATER			WATER METER PROJECT			INFRASTRUCTURE	WATER	3,122	-	3,122	-				
WATER			WATER NETWORK MAK			INFRASTRUCTURE	WATER	1,700	-	1,700	-				
WATER			WILGE WATER TREATMENT PLANT			INFRASTRUCTURE	WATER	8,955	-	8,955	6,950				NEW
WATER			WATER NETWORK OWAOWIA RURAL			INFRASTRUCTURE	WATER	5,000	-	5,000	19,500				NEW
WATER			STERKOFONTEINOWAOWIA BULK WATER			INFRASTRUCTURE	WATER		-	-	15,000				NEW
WATER			WATER QUALITY MANAGEMENT PLANT			INFRASTRUCTURE	WATER		-	-	1,400				NEW
WATER			STERKOFONTEINOWAOWIA BULK WATER SCHEME			INFRASTRUCTURE	WATER	23,000	-	23,000	55,000	76,300	15,000		NEW
INFRASTRUCTURE			PROJECT MANAGEMENT UNIT			INFRASTRUCTURE	OPERATION	3,500	-	3,500	3,500				NEW
INFRASTRUCTURE			RETENTION OF ALL PROJECTS			INFRASTRUCTURE	OPERATION	4,780	-	4,780	8,000				NEW
INFRASTRUCTURE			INFRASTRUCTURE PLANS			INFRASTRUCTURE	OPERATION		-	-	1,000				NEW
INFRASTRUCTURE			UPGRADING BOSBOU			INFRASTRUCTURE	OPERATION		-	-	300				RENEWAL
Total Capital expenditure	1							268,699	-	268,699	261,840	101,300	45,000	-	-
Entities:															
List all capital projects grouped by Entity															
Entity A															
Entity A			Water project A												
Entity B															
Entity B			Electricity project B												
Total Capital expenditure	2										-	-	-		

## 2.12 Legislation compliance status

Maluti - A - Phofung Municipality is compliant with all required legislation, applicable to municipalities. Compliance with MFMA requirements have been substantially adhered to the following will serve as examples:

- Budget and treasury office have been established
- Financial reporting 100% compliance with Monthly, quarterly, mid-year reports
- Preparation of the annual Budget and adjustments budget



As we however converted to gamap/grap in 2006 already certain aspects off the legislation is applicable to Maluti - A - Phofung and as such the Asset Register is currently our only challenge in achieving full compliance.

### **2.13 Other supporting documents**

Attached to the budget find also the following documents:

- Annexure 2 - MAP Water Annual Budget
- Annexure 3 - Tariffs List
- Annexure 4 - Budget related Policies

### **2.14 ANNUAL BUDGETS OF MUNICIPAL ENTITIES**

**See Annexure 2 for details (from page 1 to 24)**



## 2.15 Annual consolidated budget tables

FS194 Maluti-a-Phofung - Table A1 Consolidated Budget Summary

Description	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	128,297	111,066	102,009	103,583	216,955	216,955	121,794	297,768	317,991	333,891
Service charges	122,702	159,998	211,731	276,155	221,610	221,610	201,505	369,653	381,945	407,856
Investment revenue	18,525	8,716	4,787	9,000	7,000	7,000	188	7,500	8,400	8,820
Transfers recognised - operational	198,465	224,511	305,807	227,191	231,161	230,229	216,590	279,962	311,505	334,428
Other own revenue	93,975	106,253	111,102	156,339	92,755	92,755	89,320	79,808	102,034	120,339
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>561,964</b>	<b>610,544</b>	<b>735,436</b>	<b>772,268</b>	<b>769,481</b>	<b>768,549</b>	<b>629,397</b>	<b>1,034,692</b>	<b>1,121,875</b>	<b>1,205,334</b>
Employee costs	84,787	97,410	100,568	129,760	129,760	129,760	83,582	201,500	225,291	252,550
Remuneration of councillors	15,392	17,791	16,504	17,411	17,411	17,411	11,722	20,500	21,525	22,601
Depreciation & asset impairment	46,099	51,630	34,000	40,000	40,000	40,000	-	51,436	63,500	70,175
Finance charges	-	2,240	5,276	7,246	7,246	7,246	-	7,608	4,443	5,679
Materials and bulk purchases	15,483	129,945	127,071	124,488	124,817	124,817	98,087	169,607	183,596	193,596
Transfers and grants	-	38,132	21,117	61,789	61,789	61,789	39,964	68,500	70,972	63,454
Other expenditure	261,832	431,382	287,015	370,381	358,137	357,538	101,863	478,956	503,646	520,191
<b>Total Expenditure</b>	<b>423,594</b>	<b>768,531</b>	<b>591,552</b>	<b>751,075</b>	<b>739,160</b>	<b>738,561</b>	<b>335,217</b>	<b>998,107</b>	<b>1,072,973</b>	<b>1,128,246</b>
<b>Surplus/(Deficit)</b>	<b>138,370</b>	<b>(157,986)</b>	<b>143,884</b>	<b>21,192</b>	<b>30,321</b>	<b>29,988</b>	<b>294,180</b>	<b>36,585</b>	<b>48,902</b>	<b>77,087</b>
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>138,370</b>	<b>(157,986)</b>	<b>143,884</b>	<b>21,192</b>	<b>30,321</b>	<b>29,988</b>	<b>294,180</b>	<b>36,585</b>	<b>48,902</b>	<b>77,087</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>138,370</b>	<b>(157,986)</b>	<b>143,884</b>	<b>21,192</b>	<b>30,321</b>	<b>29,988</b>	<b>294,180</b>	<b>36,585</b>	<b>48,902</b>	<b>77,087</b>
<b>Capital expenditure &amp; funds sources</b>										
Capital expenditure	124,765	142,474	212,380	268,699	259,671	259,671	-	266,440	293,910	276,439
Transfers recognised - capital	59,075	91,647	132,590	172,518	178,932	178,932	75,918	230,840	272,636	252,329
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	26,000	30,000	48,000	58,000	40,000	40,000	18,000	-	-	-
Internally generated funds	39,690	20,826	31,790	38,181	40,739	40,739	-	35,600	21,274	24,110
<b>Total sources of capital funds</b>	<b>124,765</b>	<b>142,474</b>	<b>212,380</b>	<b>268,699</b>	<b>259,671</b>	<b>259,671</b>	<b>93,918</b>	<b>266,440</b>	<b>293,910</b>	<b>276,439</b>
<b>Financial position</b>										
Total current assets	385,565	547,930	252,736	596,400	3,819	669,444	-	797,767	706,953	497,150
Total non current assets	1,349,880	1,331,184	1,379,709	1,655,162	-	1,574,654	-	1,687,098	1,948,008	2,605,855
Total current liabilities	50,884	461,855	137,510	107,382	12,005	98,882	-	106,150	88,808	83,233
Total non current liabilities	21,333	15,059	18,095	19,528	-	21,915	-	52,708	24,579	20,629
Community wealth/Equity	1,330,755	667,670	736,893	685,711	-	654,323	-	576,236	467,504	516,752
<b>Cash flows</b>										
Net cash from (used) operating	98,149	20,857	68,201	84,232	-	84,232	-	131,973	51,735	44,250
Net cash from (used) investing	(61,205)	(54,113)	(40,648)	33,953	-	33,953	-	(4,923)	(193,745)	(49,929)
Net cash from (used) financing	(6,798)	(11,491)	1,578	(10,679)	-	(10,679)	-	(10,601)	(11,046)	(10,676)
<b>Cash/cash equivalents at the year end</b>	<b>622,238</b>	<b>577,490</b>	<b>606,622</b>	<b>109,507</b>	<b>-</b>	<b>109,507</b>	<b>-</b>	<b>225,955</b>	<b>72,900</b>	<b>56,544</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	81,255	124,254	64,337	141,971	-	141,971	-	175,960	259,214	301,780
Application of cash and investments	(229,431)	48,359	(11,595)	(256,709)	-	(355,151)	-	(492,920)	(391,018)	(301,062)
<b>Balance - surplus (shortfall)</b>	<b>310,686</b>	<b>75,895</b>	<b>75,931</b>	<b>398,680</b>	<b>-</b>	<b>497,122</b>	<b>-</b>	<b>668,880</b>	<b>650,232</b>	<b>602,843</b>
<b>Asset management</b>										
Asset register summary (WDV)	629,208	604,745	629,397	1,067,275	244,155	954,155	925,067	925,067	1,035,562	1,055,434
Depreciation & asset impairment	46,099	51,630	34,000	40,000	40,000	40,000	51,436	51,436	63,500	70,175
Renewal of Existing Assets	-	-	-	-	-	-	14,300	14,300	-	-
Repairs and Maintenance	13,637	28,665	12,917	31,127	31,127	31,127	39,386	39,386	42,579	43,424
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	-	71,849	-	-	112,219	112,219	161,563	171,033
Revenue cost of free services provided	-	-	-	169,478	-	-	218,731	218,731	280,253	327,190
<b>Households below minimum service level</b>										
Water:	-	-	133,000	147,000	161,000	178,000	186,000	186,000	196,000	206,000
Sanitation/sewerage:	-	-	920,000	966,000	966,000	966,000	1,014,000	1,014,000	1,065,000	1,118,000
Energy:	-	-	5,465,000	5,739,000	5,739,000	5,739,000	6,026,000	6,026,000	6,327,000	6,643,000
Refuse:	-	39,710	45,970	48,269	-	-	50,681	50,681	53,215	-



**Maluti-A-Phofung Municipality Annual Budget 2010 /2011**  
**Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1**

FS194 Maluti-a-Phofung - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>R thousand</b>	<b>1</b>									
<b>Revenue - Standard</b>										
<i>Governance and administration</i>		200,105	271,036	216,899	573,029	564,687	564,687	645,445	695,957	741,079
Executive and council		4,510	-	26,643	-	-	-	-	-	-
Budget and treasury office		195,595	271,036	190,256	573,029	564,687	564,687	645,445	695,957	741,079
Corporate services		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		23,957	2,978	19,609	5,828	4,082	4,082	1,322	2,825	2,996
Community and social services		20,150	2,064	18,071	2,026	1,615	1,615	798	1,015	1,066
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		3,807	896	1,538	3,502	2,467	2,467	522	1,808	1,928
Housing		-	18	-	300	-	-	2	2	2
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		119,713	94,684	1,116	4,304	3,695	3,695	526	447	470
Planning and development		105,188	94,478	1,116	1,497	395	395	276	395	415
Road transport		14,525	207	-	2,807	3,300	3,300	250	53	55
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		184,655	207,597	382,557	282,045	264,808	264,808	387,398	422,646	460,790
Electricity		94,513	110,645	314,788	159,000	165,020	165,020	257,685	283,976	307,131
Water		62,419	73,299	67,769	105,150	81,893	81,893	102,704	113,215	125,708
Waste water management		-	-	-	-	-	-	17,359	16,010	16,934
Waste management		27,723	23,653	-	17,895	17,895	17,895	9,650	9,445	11,017
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	<b>2</b>	<b>528,431</b>	<b>576,295</b>	<b>620,181</b>	<b>865,206</b>	<b>837,272</b>	<b>837,272</b>	<b>1,034,691</b>	<b>1,121,875</b>	<b>1,205,334</b>
<b>Expenditure - Standard</b>										
<i>Governance and administration</i>		212,298	512,041	326,371	285,211	365,784	365,784	476,735	558,708	578,330
Executive and council		31,315	31,319	33,628	54,155	50,001	50,001	57,753	54,388	59,071
Budget and treasury office		91,814	343,123	211,179	88,096	121,039	121,039	147,627	175,138	237,573
Corporate services		89,169	137,599	81,564	142,960	194,744	194,744	271,354	329,183	281,687
<i>Community and public safety</i>		37,812	51,644	49,407	63,178	63,106	63,106	83,994	90,195	99,911
Community and social services		6,352	8,766	10,944	14,560	13,796	13,796	17,755	19,263	20,908
Sport and recreation		10,656	14,152	13,289	16,356	15,538	15,538	24,185	24,419	27,622
Public safety		19,716	25,781	23,862	28,976	27,526	27,526	34,607	38,502	42,758
Housing		947	2,945	1,277	3,286	6,246	6,246	7,447	8,011	8,623
Health		141	-	35	-	-	-	-	-	-
<i>Economic and environmental services</i>		32,775	37,532	33,878	58,661	49,151	49,151	72,337	74,326	103,224
Planning and development		17,501	20,814	7,963	22,437	18,397	18,397	26,161	24,972	26,707
Road transport		13,051	14,516	23,132	32,881	27,784	27,784	46,176	49,354	76,517
Environmental protection		2,224	2,202	2,783	3,343	2,970	2,970	-	-	-
<i>Trading services</i>		191,360	229,401	252,183	362,139	318,494	318,493	365,041	349,744	374,053
Electricity		104,530	139,570	142,496	170,233	174,334	174,334	220,052	194,815	207,464
Water		70,065	70,750	82,895	105,150	81,894	81,893	115,464	122,951	133,532
Waste water management		174	-	25	57,836	34,616	34,616	-	-	-
Waste management		16,590	19,081	26,768	28,920	27,650	27,650	29,525	31,978	33,057
<i>Other</i>	4	166	1,535	-	57,836	-	-	-	-	-
<b>Total Expenditure - Standard</b>	<b>3</b>	<b>474,411</b>	<b>830,619</b>	<b>661,840</b>	<b>769,189</b>	<b>796,535</b>	<b>796,534</b>	<b>998,107</b>	<b>1,072,973</b>	<b>1,155,517</b>
<b>Surplus/(Deficit) for the year</b>		<b>54,020</b>	<b>(254,323)</b>	<b>(41,659)</b>	<b>96,017</b>	<b>40,737</b>	<b>40,738</b>	<b>36,584</b>	<b>48,902</b>	<b>49,817</b>



**Maluti-A-Phofung Municipality Annual Budget 2010 /2011**  
**Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1**

**FS194 Maluti-a-Phofung - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Vote Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>R thousand</b>										
<b>Revenue by Vote</b>	<b>1</b>									
Legislative Authority		4,510	–	26,480	–	–	–	–	–	–
Office of the Municipal Manager		–	–	163	–	–	–	–	–	–
Financial Services		195,595	271,036	190,256	573,029	564,687	564,687	645,445	695,957	741,079
Corporate Services		–	–	492	553	150	150	50	53	55
Community Services		36,508	23,690	16,290	17,908	17,900	17,900	9,657	9,452	11,024
Public Safety		3,807	896	1,538	5,409	5,767	5,767	572	1,861	1,983
Housing Spatial Development & Planning		105,188	94,496	1,116	1,797	395	395	278	397	417
Municipal Infrastructure		109,037	110,852	314,788	159,900	165,020	165,020	257,886	283,975	307,131
LED & Tourism		–	–	–	–	–	–	–	–	–
Parks, Sports & Recreation		11,365	2,027	1,289	1,460	1,460	1,460	741	956	1,003
Water & Sanitation		33,544	34,317	91,865	–	–	–	–	–	–
Clinical Services		–	–	–	–	–	–	–	–	–
Water		62,419	73,299	67,769	105,150	81,893	81,893	120,063	129,225	142,642
Example 14 - Vote14		–	–	–	–	–	–	–	–	–
Example 15 - Vote15		–	–	–	–	–	–	–	–	–
<b>Total Revenue by Vote</b>	<b>2</b>	<b>561,975</b>	<b>610,613</b>	<b>712,046</b>	<b>865,206</b>	<b>837,272</b>	<b>837,272</b>	<b>1,034,691</b>	<b>1,121,875</b>	<b>1,205,334</b>
<b>Expenditure by Vote to be appropriated</b>	<b>1</b>									
Legislative Authority		23,283	25,045	26,952	39,924	37,927	37,927	38,947	36,367	39,542
Office of the Municipal Manager		9,636	11,357	8,762	19,215	18,255	18,255	24,191	23,750	25,628
Financial Services		166,325	464,040	278,317	325,838	329,246	329,246	383,589	468,450	480,835
Corporate Services		15,405	15,431	16,030	20,088	19,084	19,084	34,831	35,375	38,006
Community Services		20,591	24,016	34,023	39,299	37,334	37,334	42,456	46,008	48,286
Public Safety		19,797	25,782	23,862	28,975	27,526	27,526	34,607	38,502	42,758
Housing Spatial Development & Planning		17,928	22,494	7,964	21,998	20,898	20,898	23,175	23,761	25,474
Municipal Infrastructure		117,667	155,758	167,240	203,113	202,118	202,118	266,229	244,169	283,978
LED & Tourism		2,743	3,329	2,448	7,068	6,714	6,714	10,432	9,222	9,856
Parks, Sports & Recreation		10,656	14,152	13,289	16,356	15,538	15,538	24,185	24,418	27,622
Water & Sanitation		70,240	70,750	82,895	105,150	81,893	81,893	115,464	122,951	133,532
Clinical Services		141	–	35	–	–	–	–	–	–
Water		18,371	–	25	–	–	–	–	–	–
0		–	–	–	–	–	–	–	–	–
0		–	–	–	–	–	–	–	–	–
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>492,782</b>	<b>832,154</b>	<b>661,840</b>	<b>827,025</b>	<b>796,533</b>	<b>796,533</b>	<b>998,107</b>	<b>1,072,973</b>	<b>1,155,517</b>
<b>Surplus/(Deficit) for the year</b>	<b>2</b>	<b>69,192</b>	<b>(221,541)</b>	<b>50,206</b>	<b>38,181</b>	<b>40,738</b>	<b>40,738</b>	<b>36,584</b>	<b>48,901</b>	<b>49,818</b>



# Maluti-A-Phofung Municipality Annual Budget 2010 /2011 Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1

FS194 Maluti-a-Phofung - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description		Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>Revenue By Source</b>												
Property rates	2		128,297	111,066	102,009	103,583	216,955	216,955	121,794	297,768	317,991	333,891
Property rates - penalties & collection charges												
Service charges - electricity revenue	2		77,669	109,636	123,478	159,000	173,000	173,000	173,000	257,050	280,790	300,343
Service charges - water revenue	2		31,415	33,414	35,144	43,296	14,558	14,558	14,558	34,205	30,056	31,960
Service charges - sanitation revenue	2		-	-	15,632	15,127	5,547	5,547	5,547	17,359	16,010	16,934
Service charges - refuse revenue	2		13,618	11,231	16,147	15,645	8,400	8,400	8,400	9,475	9,261	9,724
Service charges - other			-	5,717	21,330	43,087	20,105	20,105	-	51,564	45,828	48,895
Rental of facilities and equipment			-	-	833	550	500	500	195	391	588	617
Interest earned - external investments			18,525	8,716	4,787	9,000	7,000	7,000	188	7,500	8,400	8,820
Interest earned - outstanding debtors			13,048	15,680	18,559	12,000	9,000	9,000	7,614	8,000	11,550	12,127
Dividends received			-	-	-	-	-	-	-	-	-	-
Fines			-	-	547	2,000	2,000	2,000	256	300	1,575	1,683
Licences and permits			-	-	-	-	-	-	-	-	-	-
Agency services			30,993	39,817	40,383	61,789	62,079	62,079	62,079	68,500	83,159	93,748
Transfers recognised - operational			198,465	224,511	305,807	227,191	231,161	230,229	216,590	279,962	311,505	334,428
Other revenue	2		49,934	50,757	50,780	80,000	19,176	19,176	19,176	2,617	5,162	12,164
Gains on disposal of PPE												
Total Revenue (excluding capital transfers and contributions)			561,964	610,544	735,436	772,268	769,481	768,549	629,397	1,034,692	1,121,875	1,205,334
<b>Expenditure By Type</b>												
Employee related costs	2		84,787	97,410	100,568	129,760	129,760	129,760	83,582	201,500	225,291	252,550
Remuneration of councillors			15,392	17,791	16,504	17,411	17,411	17,411	11,722	20,500	21,525	22,601
Debt impairment	3		51,291	239,219	18,000	20,000	20,000	20,000	-	40,000	60,000	64,000
Depreciation & asset impairment	2		46,099	51,630	34,000	40,000	40,000	40,000	-	51,436	63,500	70,175
Finance charges			-	2,240	5,276	7,246	7,246	7,246	-	7,608	4,443	5,679
Bulk purchases	2		15,483	129,945	127,071	124,488	124,817	124,817	98,087	169,607	183,596	193,596
Other materials	8											
Contracted services			-	20,416	43,075	48,906	79,906	79,307	35,093	79,268	93,146	103,264
Transfers and grants				38,132	21,117	61,789	61,789	61,789	39,964	68,500	70,972	63,454
Other expenditure	4, 5		210,540	171,748	225,940	301,475	258,231	258,231	66,770	359,688	350,500	352,927
Loss on disposal of PPE												
Total Expenditure			423,594	768,531	591,552	751,075	739,160	738,561	335,217	998,107	1,072,973	1,128,246
Surplus/(Deficit)			138,370	(157,986)	143,884	21,192	30,321	29,988	294,180	36,585	48,902	77,087
Transfers recognised - capital												
Contributions recognised - capital	6		-	-	-	-	-	-	-	-	-	-
Contributed assets												
Surplus/(Deficit) after capital transfers & contributions			138,370	(157,986)	143,884	21,192	30,321	29,988	294,180	36,585	48,902	77,087
Taxation												
Surplus/(Deficit) after taxation			138,370	(157,986)	143,884	21,192	30,321	29,988	294,180	36,585	48,902	77,087
Attributable to minorities												
Surplus/(Deficit) attributable to municipality			138,370	(157,986)	143,884	21,192	30,321	29,988	294,180	36,585	48,902	77,087
Share of surplus/ (deficit) of associate	7											
Surplus/(Deficit) for the year			138,370	(157,986)	143,884	21,192	30,321	29,988	294,180	36,585	48,902	77,087





# Maluti-A-Phofung Municipality Annual Budget 2010 /2011 Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1

FS194 Maluti-a-Phofung - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>R thousand</b>	<b>1</b>										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure, to be appropriated</b>	<b>2</b>										
Legislative Authority		-	-	-	-	-	-	-	-	-	-
Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-
Financial Services		-	-	-	-	-	-	-	-	-	-
Corporate Services		-	-	-	-	-	-	-	-	-	-
Community Services		-	-	-	-	-	-	-	-	-	-
Public Safety		-	-	-	-	-	-	-	-	-	-
Housing Spatial Development & Planning		-	-	-	-	-	-	-	-	-	-
Municipal Infrastructure		119,151	133,453	206,140	268,699	268,699	268,699	214,440	261,840	287,636	267,329
LED & Tourism		2,500	-	-	-	-	-	-	-	-	-
Parks, Sports & Recreation		3,114	5,521	5,740	-	-	-	-	-	-	-
Water & Sanitation		-	-	-	-	-	-	-	-	-	-
Clinical Services		-	3,500	500	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	4,600	6,274	9,110
Example 14 - Vote14		-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	<b>7</b>	<b>124,765</b>	<b>142,474</b>	<b>212,380</b>	<b>268,699</b>	<b>268,699</b>	<b>268,699</b>	<b>214,440</b>	<b>266,440</b>	<b>293,910</b>	<b>276,439</b>
<b>Single-year expenditure, to be appropriated</b>	<b>2</b>										
Legislative Authority		-	-	-	-	-	-	-	-	-	-
Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-
Financial Services		-	-	-	-	-	-	-	-	-	-
Corporate Services		-	-	-	-	-	-	-	-	-	-
Community Services		-	-	-	-	-	-	-	-	-	-
Public Safety		-	-	-	-	-	-	-	-	-	-
Housing Spatial Development & Planning		-	-	-	-	-	-	-	-	-	-
Municipal Infrastructure		-	-	-	-	-	-	-	-	-	-
LED & Tourism		-	-	-	-	-	-	-	-	-	-
Parks, Sports & Recreation		-	-	-	-	-	-	-	-	-	-
Water & Sanitation		-	-	-	-	-	-	-	-	-	-
Clinical Services		-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Vote</b>		<b>124,765</b>	<b>142,474</b>	<b>212,380</b>	<b>268,699</b>	<b>268,699</b>	<b>268,699</b>	<b>214,440</b>	<b>266,440</b>	<b>293,910</b>	<b>276,439</b>
<b>Capital Expenditure - Standard</b>											
<b>Governance and administration</b>		-	-	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-	-
Budget and treasury office		-	-	-	-	-	-	-	-	-	-
Corporate services		-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		<b>8,570</b>	<b>18,754</b>	<b>11,391</b>	<b>2,335</b>	<b>2,335</b>	<b>2,335</b>	<b>-</b>	<b>12,484</b>	<b>-</b>	<b>-</b>
Community and social services		1,500	6,733	5,151	-	-	-	-	2,000	-	-
Sport and recreation		3,114	5,521	5,740	2,335	2,335	2,335	-	10,484	-	-
Public safety		3,956	-	-	-	-	-	-	-	-	-
Housing		-	3,000	-	-	-	-	-	-	-	-
Health		-	3,500	500	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>28,660</b>	<b>19,331</b>	<b>69,592</b>	<b>93,050</b>	<b>77,021</b>	<b>77,021</b>	<b>-</b>	<b>95,647</b>	<b>15,000</b>	<b>10,000</b>
Planning and development		6,660	4,000	36,000	22,000	22,001	22,001	-	-	-	-
Road transport		22,000	15,331	33,592	71,050	55,020	55,020	-	95,647	15,000	10,000
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>32,010</b>	<b>39,831</b>	<b>50,478</b>	<b>74,680</b>	<b>81,680</b>	<b>81,680</b>	<b>-</b>	<b>145,509</b>	<b>31,274</b>	<b>44,110</b>
Electricity		10,910	8,300	15,400	25,515	25,515	25,515	-	10,000	10,000	20,000
Water		16,200	25,717	34,840	41,777	48,777	48,777	-	102,450	21,274	24,110
Waste water management		2,900	5,815	237	7,388	7,388	7,388	-	33,059	-	-
Waste management		2,000	-	-	-	-	-	-	-	-	-
<b>Other</b>		<b>55,525</b>	<b>64,558</b>	<b>80,920</b>	<b>98,634</b>	<b>98,635</b>	<b>98,635</b>	<b>-</b>	<b>12,800</b>	<b>247,636</b>	<b>222,329</b>
<b>Total Capital Expenditure - Standard</b>	<b>3</b>	<b>124,765</b>	<b>142,474</b>	<b>212,380</b>	<b>268,699</b>	<b>259,671</b>	<b>259,671</b>	<b>-</b>	<b>266,440</b>	<b>293,910</b>	<b>276,439</b>
<b>Funded by:</b>											
National Government		59,075	88,147	132,090	172,518	178,932	178,932	75,918	216,840	257,636	242,329
Provincial Government		-	3,500	500	-	-	-	-	14,000	15,000	10,000
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	<b>4</b>	<b>59,075</b>	<b>91,647</b>	<b>132,590</b>	<b>172,518</b>	<b>178,932</b>	<b>178,932</b>	<b>75,918</b>	<b>230,840</b>	<b>272,636</b>	<b>252,329</b>
Public contributions & donations	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Borrowing	<b>6</b>	<b>26,000</b>	<b>30,000</b>	<b>48,000</b>	<b>58,000</b>	<b>40,000</b>	<b>40,000</b>	<b>18,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
Internally generated funds		39,690	20,826	31,790	38,181	40,739	40,739	-	35,600	21,274	24,110
<b>Total Capital Funding</b>	<b>7</b>	<b>124,765</b>	<b>142,474</b>	<b>212,380</b>	<b>268,699</b>	<b>259,671</b>	<b>259,671</b>	<b>93,918</b>	<b>266,440</b>	<b>293,910</b>	<b>276,439</b>



# Maluti-A-Phofung Municipality Annual Budget 2010 /2011 Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1

FS194 Maluti-a-Phofung - Table A6 Consolidated Budgeted Financial Position

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>R thousand</b>											
<b>ASSETS</b>											
<b>Current assets</b>											
Cash				19							
Call investment deposits	1	19,275	50,984	56,209	61,971	-	61,971	-	65,069	68,323	70,890
Consumer debtors	1	201,566	67,911	71,306	178,909	-	78,615	-	122,546	146,673	64,000
Other debtors		28,472	401,284	119,677	229,161	-	370,861	-	481,962	392,981	303,170
Current portion of long-term receivables		132,382	23,688	104	124,569	-	150,891	-	120,899	90,879	50,890
Inventory	2	3,869	4,064	5,420	1,790	3,819	7,106	-	7,291	8,098	8,200
<b>Total current assets</b>		<b>385,565</b>	<b>547,930</b>	<b>252,736</b>	<b>596,400</b>	<b>3,819</b>	<b>669,444</b>	<b>-</b>	<b>797,767</b>	<b>706,953</b>	<b>497,150</b>
<b>Non current assets</b>											
Long-term receivables		23,688	-	-							
Investments		61,980	79,996	38,108	80,000	-	80,000	-	110,890	190,891	230,890
Investment property		629,208	604,745	629,397	789,234	-	710,000	-	750,789	890,786	900,897
Investment in Associate											
Property, plant and equipment	3	635,005	646,443	712,203	785,928	-	784,654	-	825,418	866,331	1,474,067
Agricultural											
Biological											
Intangible											
Other non-current assets											
<b>Total non current assets</b>		<b>1,349,880</b>	<b>1,331,184</b>	<b>1,379,709</b>	<b>1,655,162</b>	<b>-</b>	<b>1,574,654</b>	<b>-</b>	<b>1,687,098</b>	<b>1,948,008</b>	<b>2,605,855</b>
<b>TOTAL ASSETS</b>		<b>1,735,445</b>	<b>1,879,114</b>	<b>1,632,444</b>	<b>2,251,562</b>	<b>3,819</b>	<b>2,244,098</b>	<b>-</b>	<b>2,484,865</b>	<b>2,654,961</b>	<b>3,103,005</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1	-	6,726	30,000	-	-	-	-	-	-	-
Borrowing	4	1,883	1,445	1,593	49,000	-	49,000	-	60,000	63,000	60,000
Consumer deposits		3,813	7,608	7,961	12,005	12,005	12,005	-	14,880	13,457	12,342
Trade and other payables	4	45,188	446,077	97,955	46,377	-	37,877	-	31,270	12,351	10,891
Provisions											
<b>Total current liabilities</b>		<b>50,884</b>	<b>461,855</b>	<b>137,510</b>	<b>107,382</b>	<b>12,005</b>	<b>98,882</b>	<b>-</b>	<b>106,150</b>	<b>88,808</b>	<b>83,233</b>
<b>Non current liabilities</b>											
Borrowing		13,666	12,078	13,982	15,415	-	15,415	-	43,908	15,679	11,679
Provisions		7,667	2,981	4,113	4,113	-	6,500	-	8,800	8,900	8,950
<b>Total non current liabilities</b>		<b>21,333</b>	<b>15,059</b>	<b>18,095</b>	<b>19,528</b>	<b>-</b>	<b>21,915</b>	<b>-</b>	<b>52,708</b>	<b>24,579</b>	<b>20,629</b>
<b>TOTAL LIABILITIES</b>		<b>72,217</b>	<b>476,914</b>	<b>155,604</b>	<b>126,910</b>	<b>12,005</b>	<b>120,797</b>	<b>-</b>	<b>158,858</b>	<b>113,387</b>	<b>103,862</b>
<b>NET ASSETS</b>	5	<b>1,663,227</b>	<b>1,402,200</b>	<b>1,476,840</b>	<b>2,124,653</b>	<b>(8,186)</b>	<b>2,123,301</b>	<b>-</b>	<b>2,326,007</b>	<b>2,541,575</b>	<b>2,999,143</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		852,195	643,077	708,424	654,323	-	654,323	-	543,279	432,899	467,843
Reserves	4	478,561	24,593	28,469	31,387	-	-	-	32,957	34,605	48,909
Minorities' interests											
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>1,330,755</b>	<b>667,670</b>	<b>736,893</b>	<b>685,711</b>	<b>-</b>	<b>654,323</b>	<b>-</b>	<b>576,236</b>	<b>467,504</b>	<b>516,752</b>

FS194 Maluti-a-Phofung - Table A7 Consolidated Budgeted Cash Flows

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>R thousand</b>											
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Ratespayers and other		435,184	77,283	336,999	418,647		407,795		478,114	403,856	416,803
Government - operating	1										
Government - capital	1	35,564	39,817	40,383	40,383		41,576		42,383	44,289	46,000
Interest		31,573	24,464	29,108	29,653		29,653		31,136	32,693	33,489
Dividends											
<b>Payments</b>											
Suppliers and employees		(401,615)	(118,466)	(335,697)	(397,217)		(387,558)		(410,898)	(420,114)	(442,166)
Finance charges		(2,557)	(2,240)	(2,592)	(7,235)		(7,235)		(8,762)	(8,988)	(9,877)
Transfers and Grants	1										
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>98,149</b>	<b>20,857</b>	<b>68,201</b>	<b>84,232</b>	<b>-</b>	<b>84,232</b>	<b>-</b>	<b>131,973</b>	<b>51,735</b>	<b>44,250</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		(63,540)	(83,743)	(74,701)	-		-		(18,137)	(15,385)	(17,891)
Decrease (Increase) in non-current debtors		292	132	-	(2,909)		(2,909)		(20,891)	(209,890)	(21,289)
Decrease (Increase) other non-current receivables		292	132	153	161		161		169	177	
Decrease (Increase) in non-current investments		3,936	30,194	34,954	36,701		36,701		38,536	40,463	
<b>Payments</b>											
Capital assets		(2,186)	(829)	(1,054)					(4,600)	(9,110)	(10,749)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(61,205)</b>	<b>(54,113)</b>	<b>(40,648)</b>	<b>33,953</b>	<b>-</b>	<b>33,953</b>	<b>-</b>	<b>(4,923)</b>	<b>(193,745)</b>	<b>(49,929)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		(4,851)	-	-	(20,000)		(20,000)		(20,000)	(25,000)	(25,000)
Borrowing long term/refinancing		(2,058)	(1,967)	(1,967)	(18,000)		(18,000)		-	(1,967)	
Increase (decrease) in consumer deposits		111	5,232	6,057	32,000		32,000		3,609	7,011	4,981
<b>Payments</b>											
Repayment of borrowing			(14,756)	(2,512)	(4,679)		(4,679)		5,790	8,910	9,343
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(6,798)</b>	<b>(11,491)</b>	<b>1,578</b>	<b>(10,679)</b>	<b>-</b>	<b>(10,679)</b>	<b>-</b>	<b>(10,601)</b>	<b>(11,046)</b>	<b>(10,676)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>30,146</b>	<b>(44,748)</b>	<b>29,131</b>	<b>107,506</b>	<b>-</b>	<b>107,506</b>	<b>-</b>	<b>116,448</b>	<b>(153,055)</b>	<b>(16,356)</b>
Cash/cash equivalents at the year begin:	2	<b>592,092</b>	<b>622,238</b>	<b>577,490</b>	<b>2,001</b>	<b>-</b>	<b>2,001</b>	<b>-</b>	<b>109,507</b>	<b>225,955</b>	<b>72,900</b>
Cash/cash equivalents at the year end:	2	<b>622,238</b>	<b>577,490</b>	<b>606,622</b>	<b>109,507</b>	<b>-</b>	<b>109,507</b>	<b>-</b>	<b>225,955</b>	<b>72,900</b>	<b>56,544</b>



# Maluti-A-Phofung Municipality Annual Budget 2010 /2011 Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1

FS194 Maluti-a-Phofung - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Salary		14,042	16,381	10,274	11,157	11,157	11,157	13,497	13,683	13,819
Pension Contributions		1,351	1,410	2,076	1,925	1,925	1,925	2,156	2,414	2,703
Medical Aid Contributions				-	307	307	307	343	384	430
Allowances				3,858	4,022	4,022	4,022	4,504	5,044	5,649
Cell phone allowance										
Housing allowance										
Other benefits or allowances										
In-kind benefits										
<b>Sub Total - Councillors</b>		15,392,173	17,791	16,208	17,411	17,411	17,411	20,500	21,525	22,601
% increase	4		(99.9%)	(8.9%)	7.4%	-	-	17.7%	5.0%	5.0%
<b>Senior Managers of the Municipality</b>	2									
Salary		3	3,841	3,688	3,577	-	3,577	4,013	5,568	5,907
Pension Contributions		0	542	274	498	-	498	557	623	697
Medical Aid Contributions				-	145	-	145	162	181	202
Allowances			1,187	1,228	1,544	-	1,544	1,936	2,404	2,949
Cell phone allowance			0	0	-	-	-	0	0	177
Housing allowance										
Performance Bonus			186		216	-	216	-	-	-
Other benefits or allowances		1	135	98	-	-	-	-	-	-
In-kind benefits										
<b>Sub Total - Senior Managers of Municipality</b>		4,310	6,172	5,408	5,980	0	5,980	6,828	8,946	9,932
% increase	4		43.2%	(12.4%)	10.6%	(100.0%)	-	14.2%	31.0%	11.0%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		71,402	75,246,320	74,317	83,477	83,477	83,477	100,332	112,577	127,947
Pension Contributions		5,260	6,118,858	4,365	14,673	14,673	14,673	16,433	18,404	20,612
Medical Aid Contributions				2,981	3,087	3,087	3,087	3,457	3,602	4,034
Allowances		2,967	3,447,036	4,961	292	292	292	327	366	409
Cell phone allowance										
Housing allowance		368	433		-	-	-	-	-	-
Overtime		4,790	5,990	7,762	-	-	-	-	-	-
Performance Bonus					17,900	17,900	17,900	20,048	22,453	25,147
Other benefits or allowances					-	-	-	-	-	-
In-kind benefits										
<b>Sub Total - Other Municipal Staff</b>		84,787,054	91,235,139	94,386	119,429	119,429	119,429	140,597	157,402	178,149
% increase	4		7.6%	(99.9%)	26.5%	-	-	17.7%	12.0%	13.2%
<b>Total Parent Municipality</b>		100,184	91,259	116	143	137	143	168	188	211
			(8.9%)	(99.9%)	23.1%	(4.2%)	4.4%	17.6%	11.9%	12.1%
<b>Board Members of Entities</b>										
Salary										
Pension Contributions										
Medical Aid Contributions										
Allowances										
Cell phone allowances										
Housing allowance										
Board Fees										
Other benefits and allowances										
In-kind benefits										
<b>Sub Total - Board Members of Entities</b>		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
<b>Senior Managers of Entities</b>										
Salary				1,706	1,953	1,739	1,739	2,069	2,234	2,345
Pension Contributions				336	384	342	342	406	438	459
Medical Aid Contributions				55	62	56	56	66	71	74
Motor vehicle allowance										
Cell phone allowances										
Housing allowance										
Performance Bonus				-	1,584	1,410	1,410	1,677	1,811	1,901
Other benefits or allowances										
Overtime										
<b>Sub Total - Senior Managers of Entities</b>		0	0	2,097	3,983	3,547	3,547	4,218	4,554	4,779
% increase	4		-	-	89.9%	(10.9%)	-	18.9%	8.0%	4.9%
<b>Other Staff of Entities</b>										
Basic Salaries and Wages		25	23,546	26,815	31,318	28,038	28,028	33,566	36,609	40,280
Pension Contributions		2	3,431	4,023	4,172	3,928	3,928	4,572	5,006	5,481
Medical Aid Contributions		1	1,728	2,043	1,902	2,039	2,039	2,779	3,043	3,332
Motor vehicle allowance		0								
Cell phone allowances										
Housing allowance					600			600	600	600
Overtime		3	2,410	2,334	2,000	3,389	3,389	2,150	2,354	2,577
Performance Bonus					1,584			1,743	1,908	2,089
Other benefits or allowances		2	1	1,430	4,700	3,839	3,839	4,447	4,869	5,331
In-kind benefits										
<b>Sub Total - Other Staff of Entities</b>		33,276	32,462	36,645	46,276	41,233	41,223	49,857	54,389	59,690
% increase	4		(2.4%)	12.9%	26.3%	(10.9%)	(0.0%)	20.9%	9.1%	9.7%
<b>Total Municipal Entities</b>		33,276	32,462	38,742	50,259	44,780	44,770	54,075	58,943	64,469
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>										
		100,216,813	91,291,564	154,744	193,079	181,620	187,590	222,000	246,816	275,151
% increase	4		(8.9%)	(99.8%)	24.8%	(5.9%)	3.3%	18.3%	11.2%	11.5%
<b>TOTAL MANAGERS AND STAFF</b>	5	84,825	91,273,773	138,536	175,668	164,209	170,179	201,500	225,291	252,550



# Maluti-A-Phofung Municipality Annual Budget 2010 /2011 Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1

FS194 Maluti-a-Phofung - Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description		Ref	Budget Year 2010/11												Medium Term Revenue and Expenditure Framework		
R thousand			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>Revenue By Source</b>																	
Property rates			24,814	24,814	24,814	24,814	24,814	24,814	24,814	24,814	24,814	24,814	24,814	24,814	297,768	317,991	333,891
Property rates - penalties & collection charges			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue			21,421	21,421	21,421	21,421	21,421	21,421	21,421	21,421	21,421	21,421	21,421	21,421	257,050	280,790	300,343
Service charges - water revenue			2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	34,205	30,056	31,960
Service charges - sanitation revenue			1,447	1,447	1,447	1,447	1,447	1,447	1,447	1,447	1,447	1,447	1,447	1,447	17,359	16,010	16,934
Service charges - refuse revenue			790	790	790	790	790	790	790	790	790	790	790	790	9,475	9,261	9,724
Service charges - other			4,297	4,297	4,297	4,297	4,297	4,297	4,297	4,297	4,297	4,297	4,297	4,297	51,564	45,828	48,895
Rental of facilities and equipment			33	33	33	33	33	33	33	33	33	33	33	33	391	588	617
Interest earned - external investments			625	625	625	625	625	625	625	625	625	625	625	625	7,500	8,400	8,820
Interest earned - outstanding debtors			667	667	667	667	667	667	667	667	667	667	667	667	8,000	11,550	12,127
Dividends received			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines			25	25	25	25	25	25	25	25	25	25	25	25	300	1,575	1,683
Licences and permits			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services			5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708	68,500	83,159	93,748
Transfers recognised - operational			23,330	23,330	23,330	23,330	23,330	23,330	23,330	23,330	23,330	23,330	23,330	23,330	279,962	311,505	334,428
Other revenue			218	218	218	218	218	218	218	218	218	218	218	218	2,617	5,162	12,164
Gains on disposal of PPE			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contribution)</b>			<b>86,224</b>	<b>86,224</b>	<b>86,224</b>	<b>86,224</b>	<b>86,224</b>	<b>86,224</b>	<b>86,224</b>	<b>86,224</b>	<b>86,224</b>	<b>86,224</b>	<b>86,224</b>	<b>86,224</b>	<b>1,034,692</b>	<b>1,121,875</b>	<b>1,205,334</b>
<b>Expenditure By Type</b>																	
Employee related costs			16,792	16,792	16,792	16,792	16,792	16,792	16,792	16,792	16,792	16,792	16,792	16,792	201,500	225,291	252,550
Remuneration of councillors			1,708	1,708	1,708	1,708	1,708	1,708	1,708	1,708	1,708	1,708	1,708	1,708	20,500	21,525	22,601
Debt impairment			3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	40,000	60,000	64,000
Depreciation & asset impairment			4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	4,286	51,436	63,500	70,175
Finance charges			634	634	634	634	634	634	634	634	634	634	634	634	7,608	4,443	5,679
Bulk purchases			14,134	14,134	14,134	14,134	14,134	14,134	14,134	14,134	14,134	14,134	14,134	14,134	169,607	183,596	193,596
Other materials			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services			6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	6,606	79,268	93,146	103,264
Transfers and grants			5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708	68,500	70,972	63,454
Other expenditure			29,974	29,974	29,974	29,974	29,974	29,974	29,974	29,974	29,974	29,974	29,974	29,974	359,688	350,500	380,198
Loss on disposal of PPE			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>			<b>83,176</b>	<b>83,176</b>	<b>83,176</b>	<b>83,176</b>	<b>83,176</b>	<b>83,176</b>	<b>83,176</b>	<b>83,176</b>	<b>83,176</b>	<b>83,176</b>	<b>83,176</b>	<b>83,176</b>	<b>998,107</b>	<b>1,072,973</b>	<b>1,155,517</b>
<b>Surplus/(Deficit)</b>			<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>36,585</b>	<b>48,902</b>	<b>49,817</b>
Transfers recognised - capital			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>			<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>36,585</b>	<b>48,902</b>	<b>49,817</b>
Taxation			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>			<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>3,049</b>	<b>36,585</b>	<b>48,902</b>	<b>49,817</b>



**Maluti-A-Phofung Municipality Annual Budget 2010 /2011**  
**Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1**

FS194 Maluti-a-Phofung - Table A9 Consolidated Asset Management

S1194 Mauritius-Planning - Table A9 Consolidated Asset management										
Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	124,765	142,474	212,380	278,041	259,671	259,671	247,540	25,000	30,000
Infrastructure - Road transport		22,000	15,331	33,592	71,050	55,020	55,020	90,347	15,000	10,000
Infrastructure - Electricity		10,910	8,300	15,400	25,515	25,515	25,515	10,000	10,000	20,000
Infrastructure - Water		16,200	25,717	34,840	41,777	48,777	48,777	97,850	-	-
Infrastructure - Sanitation		2,900	5,815	238	7,388	7,388	7,388	33,059	-	-
Infrastructure - Other		57,525	64,558	80,920	96,634	96,635	96,635	12,500	-	-
Infrastructure		109,535	119,720	164,990	242,364	233,335	233,335	243,756	25,000	30,000
Community		15,230	19,754	47,391	26,335	26,336	26,336	3,784	-	-
Heritage assets		-	3,000	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	9,342	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<u>Total Renewal of Existing Assets</u>	2	-	-	-	-	-	-	14,300	-	-
Infrastructure - Road transport		-	-	-	-	-	-	5,300	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	300	-	-
Infrastructure		-	-	-	-	-	-	5,600	-	-
Community		-	-	-	-	-	-	8,700	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<u>Total Capital Expenditure</u>	4	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		22,000	15,331	33,592	71,050	55,020	55,020	95,647	15,000	10,000
Infrastructure - Electricity		10,910	8,300	15,400	25,515	25,515	25,515	10,000	10,000	20,000
Infrastructure - Water		16,200	25,717	34,840	41,777	48,777	48,777	97,850	-	-
Infrastructure - Sanitation		2,900	5,815	238	7,388	7,388	7,388	33,059	-	-
Infrastructure - Other		57,525	64,558	80,920	96,634	96,635	96,635	12,800	-	-
Infrastructure		109,535	119,720	164,990	242,364	233,335	233,335	249,356	25,000	30,000
Community		15,230	19,754	47,391	26,335	26,336	26,336	12,484	-	-
Heritage assets		-	3,000	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	9,342	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	124,765	142,474	212,380	278,041	259,671	259,671	261,840	25,000	30,000
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport					71,050	55,020	55,020	20,000	12,000	12,600
Infrastructure - Electricity					25,515	10,000	10,000	3,000	10,000	10,500
Infrastructure - Water					41,777	48,777	48,777	23,456	-	-
Infrastructure - Sanitation					7,388	7,388	7,388	60,224	12,555	13,182
Infrastructure - Other					100,455	100,456	100,456	62,998	103,947	109,145
Infrastructure		-	-	-	246,185	221,641	221,641	169,678	138,502	145,427
Community					22,514	22,514	22,514	-	-	-
Heritage assets										
Investment properties		629,208	604,745	629,397	789,234	-	710,000	750,789	890,786	900,897
Other assets					9,342	-	-	4,600	6,274	9,110
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	629,208	604,745	629,397	1,067,275	244,155	954,155	925,067	1,035,562	1,055,434
EXPENDITURE OTHER ITEMS										
<u>Depreciation &amp; asset impairment</u>	3	46,099	51,630	34,000	40,000	40,000	40,000	51,436	63,500	70,175
<u>Repairs and Maintenance by Asset Class</u>		13,637	28,665	12,917	31,127	31,127	31,127	39,386	42,579	43,424
Infrastructure - Road transport		1,000	4,750	6,315	8,099	8,099	8,099	5,545	5,823	6,114
Infrastructure - Electricity		3,420	900	2,700	2,741	2,741	2,741	5,200	5,335	5,477
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	19,414	20,385	21,404
Infrastructure		4,420	5,650	9,015	10,840	10,840	10,840	30,159	31,542	32,994
Community		300	180	100	-	-	-	650	683	717
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	8,917	22,835	3,802	20,287	20,287	20,287	8,576	10,354	9,713
TOTAL EXPENDITURE OTHER ITEMS		59,737	80,295	46,917	71,127	71,127	71,127	90,822	106,079	113,599
% of capital exp on renewal of assets		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.8%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	27.8%	0.0%	0.0%
R&M as a % of PPE		2.1%	4.4%	1.8%	4.0%	0.0%	4.0%	4.8%	4.9%	2.9%
Renewal and R&M as a % of PPE		2.0%	5.0%	2.0%	3.0%	13.0%	3.0%	6.0%	4.0%	4.0%



**Maluti-A-Phofung Municipality Annual Budget 2010 /2011**  
**Medium Term Revenue Expenditure Framework, IDP and related policies. ANNEXURE 1**

FS194 Maluti-a-Phofung - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation

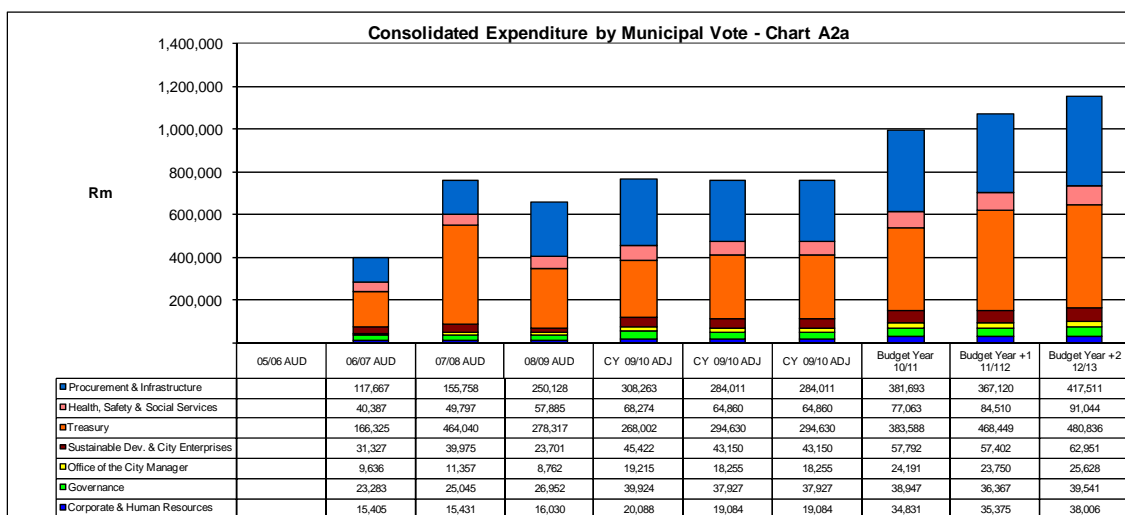
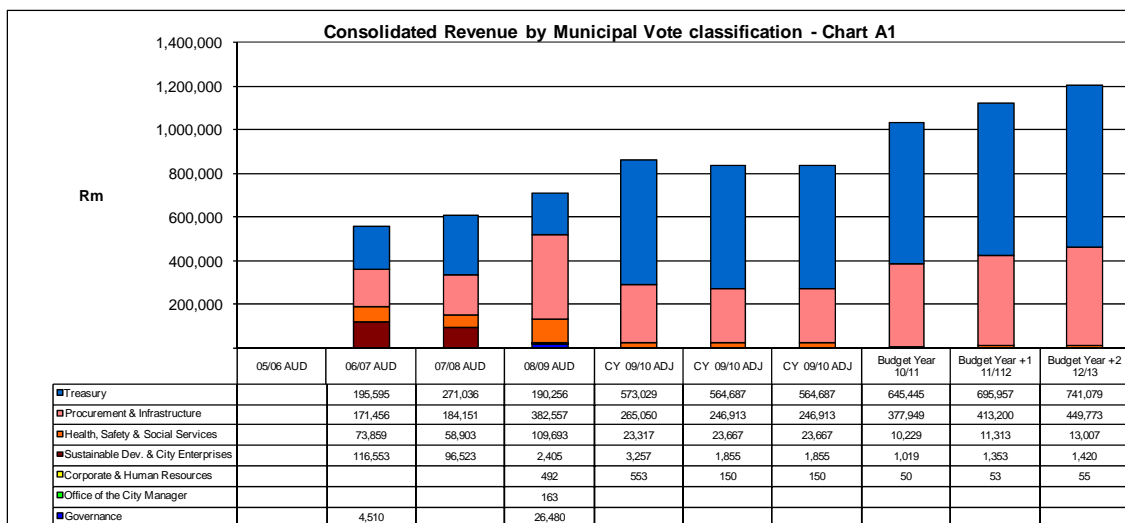
Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	622,238	577,490	606,622	109,507	-	109,507	-	225,955	72,900	56,544
Other current investments > 90 days		(602,963)	(533,233)	(580,394)	(47,536)	-	(47,536)	-	(160,885)	(4,577)	14,346
Non current assets - Investments	1	61,980	79,996	38,108	80,000	-	80,000	-	110,890	190,891	230,890
<b>Cash and investments available:</b>		<b>81,255</b>	<b>124,254</b>	<b>64,337</b>	<b>141,971</b>	<b>-</b>	<b>141,971</b>	<b>-</b>	<b>175,960</b>	<b>259,214</b>	<b>301,780</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		3,111	14,790	16,306	12,000	-	12,000	-	17,891	8,000	5,000
Unspent borrowing											
Statutory requirements	2										
Other working capital requirements	3	(232,542)	33,569	(27,901)	(268,709)	-	(367,151)	-	(510,811)	(399,018)	(306,062)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
<b>Total Application of cash and investments:</b>		<b>(229,431)</b>	<b>48,359</b>	<b>(11,595)</b>	<b>(256,709)</b>	<b>-</b>	<b>(355,151)</b>	<b>-</b>	<b>(492,920)</b>	<b>(391,018)</b>	<b>(301,062)</b>
<b>Surplus(shortfall)</b>		<b>310,686</b>	<b>75,895</b>	<b>75,931</b>	<b>398,680</b>	<b>-</b>	<b>497,122</b>	<b>-</b>	<b>668,880</b>	<b>650,232</b>	<b>602,843</b>

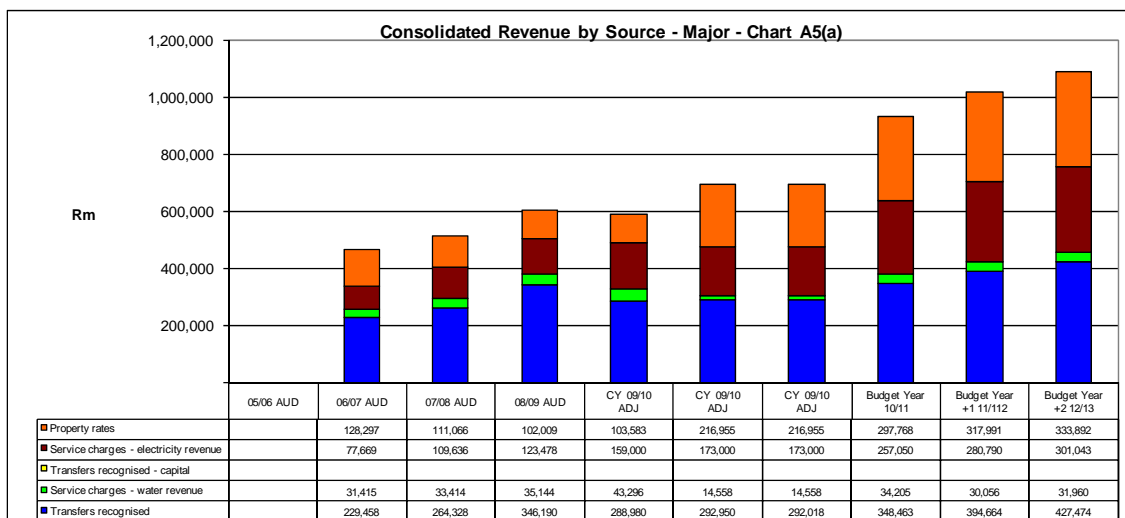
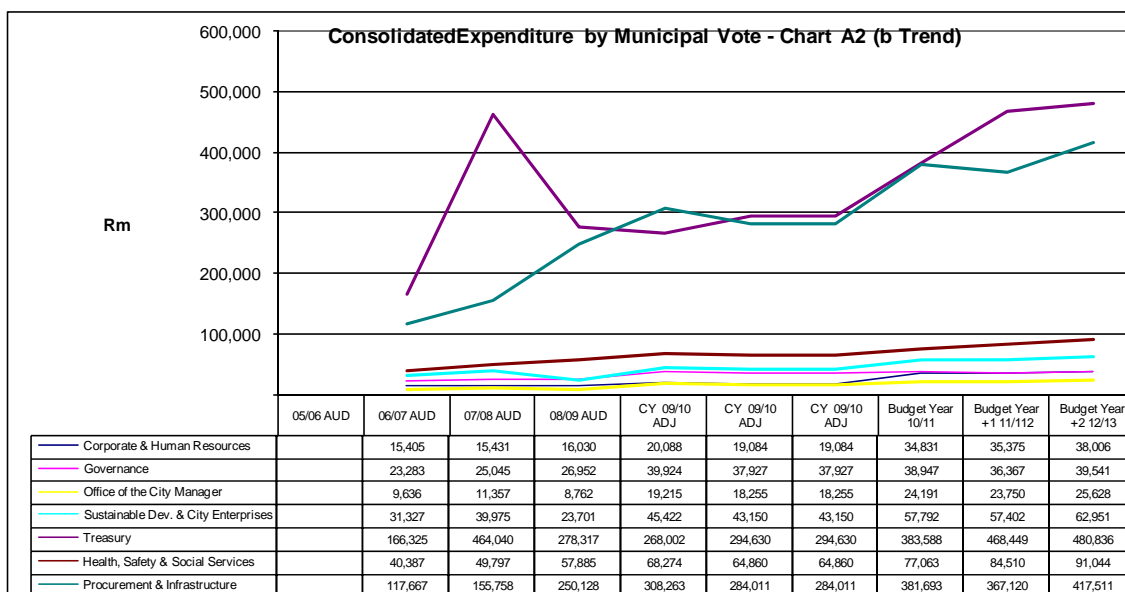
FS194 Maluti-a-Phofung - Supporting Table SA29 Consolidated budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2010/11												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>Capital Expenditure - Standard</b>	1															
<i>Governance and administration</i>																
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Budget and treasury office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	6,242	1,040	1,040	(4,161)	12,484	-	-
Community and social services		167	167	167	167	167	167	167	167	1,000	167	167	(667)	2,000	-	-
Sport and recreation		874	874	874	874	874	874	874	874	5,242	874	874	(3,495)	10,484	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		7,971	7,971	7,971	7,971	7,971	7,971	7,971	7,971	7,971	7,971	7,971	7,971	95,647	15,000	10,000
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		7,971	7,971	7,971	7,971	7,971	7,971	7,971	7,971	7,971	7,971	7,971	7,971	95,647	15,000	10,000
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		12,126	12,126	12,126	12,126	12,126	12,126	12,126	12,126	12,126	12,126	12,126	12,126	145,509	31,274	44,110
Electricity		833	833	833	833	833	833	833	833	833	833	833	833	10,000	10,000	20,000
Water		8,538	8,538	8,538	8,538	8,538	8,538	8,538	8,538	8,538	8,538	8,538	8,538	102,450	21,274	24,110
Waste water management		2,755	2,755	2,755	2,755	2,755	2,755	2,755	2,755	2,755	2,755	2,755	2,755	33,059	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		1,067	1,067	1,067	1,067	1,067	1,067	1,067	1,067	1,067	1,067	1,067	1,067	12,800	247,636	222,329
<b>Total Capital Expenditure - Standard</b>	2	<b>22,203</b>	<b>22,203</b>	<b>22,203</b>	<b>22,203</b>	<b>22,203</b>	<b>22,203</b>	<b>22,203</b>	<b>22,203</b>	<b>27,405</b>	<b>22,203</b>	<b>22,203</b>	<b>17,002</b>	<b>266,440</b>	<b>293,910</b>	<b>276,439</b>

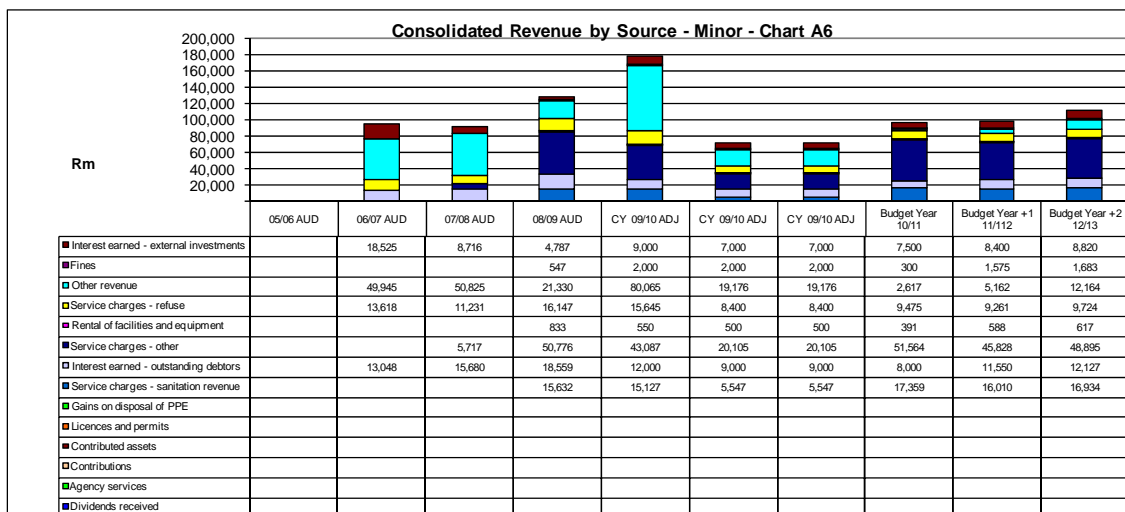
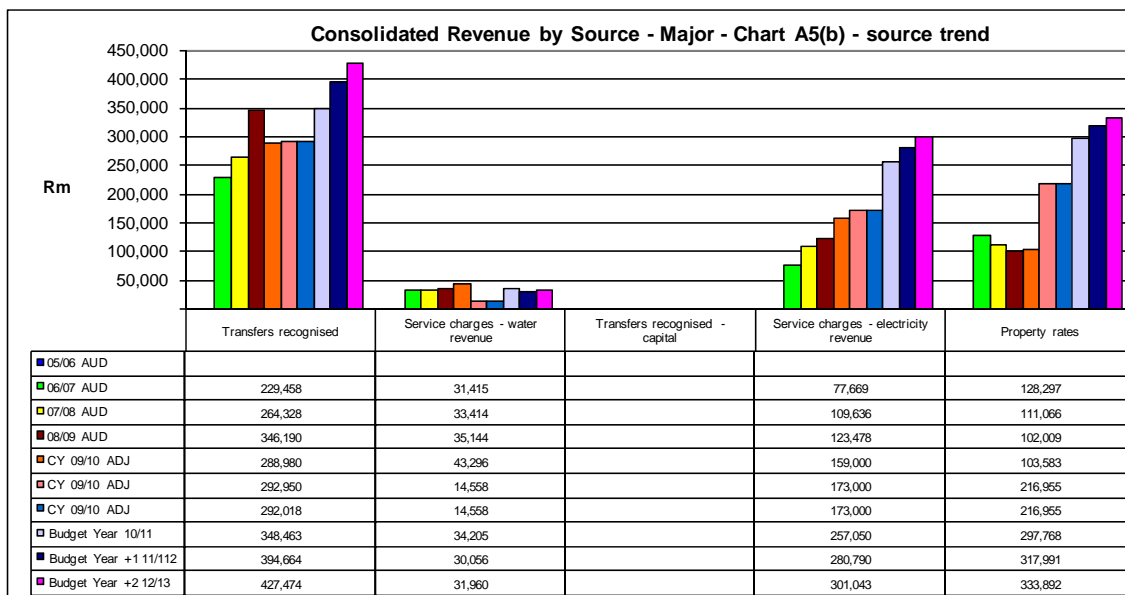


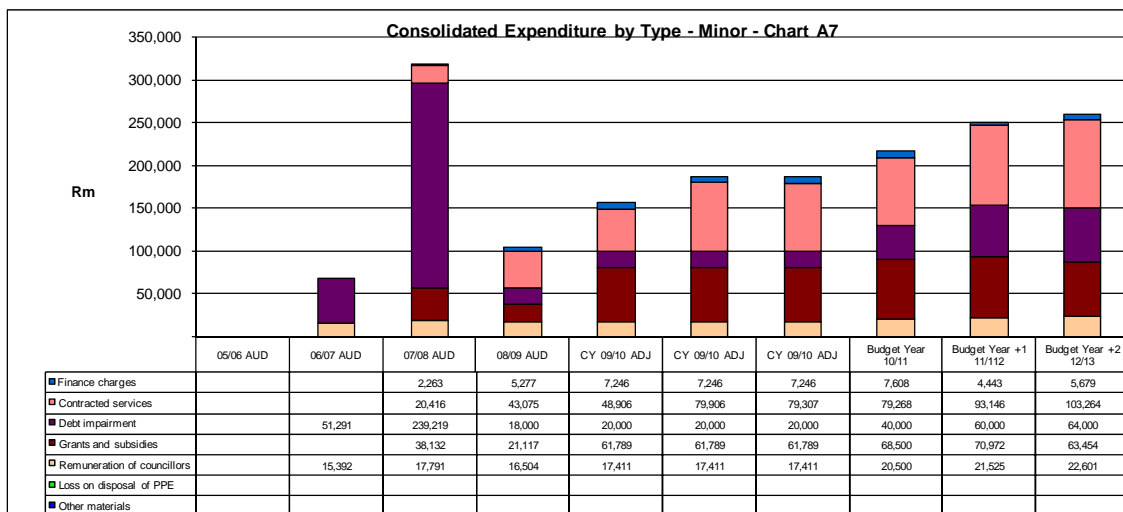
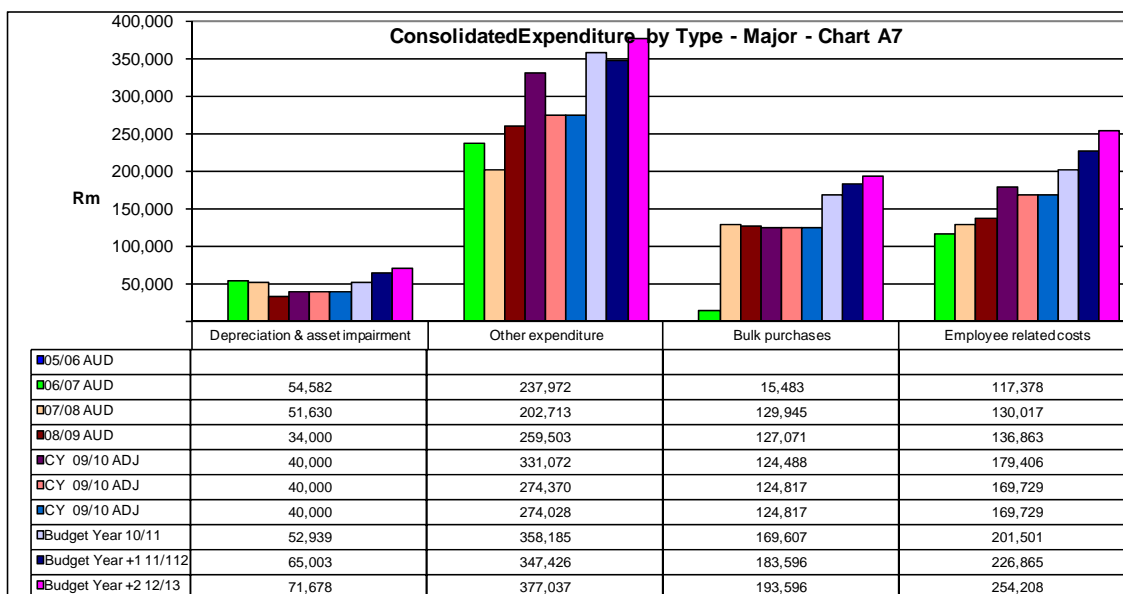
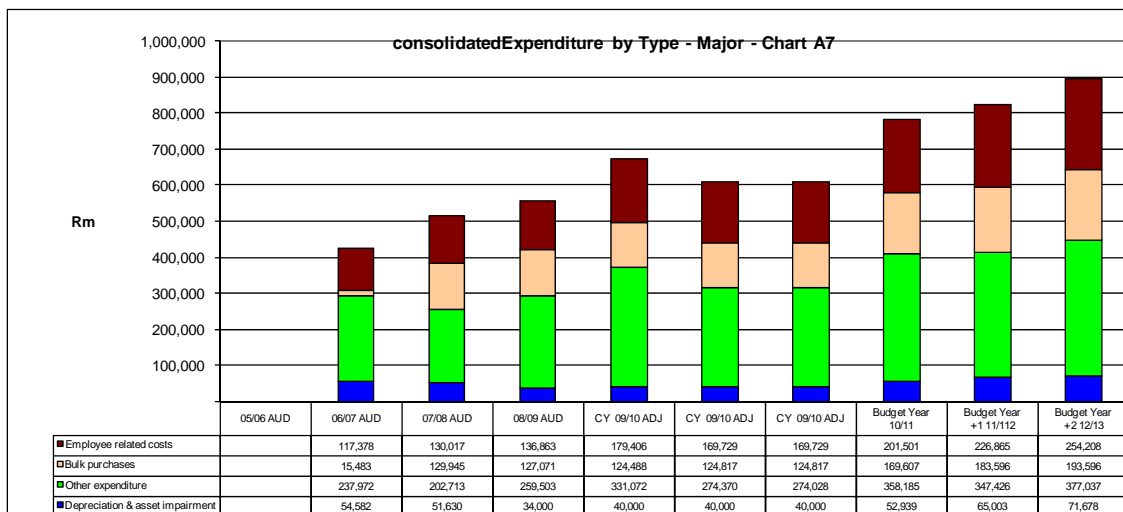
## 2.16 Consolidated Budget Charts













## **2.17 Municipal manager's quality certification**

I Ratoolo Kau Municipal Manager of Maluti - A - Phofung Municipality hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the act, and that the annual budget is consistent with the business plans of the municipality and the integrated development plan

Print name: Ratoolo Kau

Municipal Manager of Maluti - A - Phofung Municipality

Signature: \_\_\_\_\_

Date: \_\_\_\_\_